

Extended to November 15, 2017

## Return of Private Foundation

or Section 4947(a)(1) Trust Treated as Private Foundation

Do not enter social security numbers on this form as it may be made public.

Information about Form 990-PF and its separate instructions is at [www.irs.gov/form990pf](http://www.irs.gov/form990pf).

OMB No 1545-0052

2016

Open to Public Inspection

Form 990-PF

Department of the Treasury  
Internal Revenue Service

For calendar year 2016 or tax year beginning

, and ending

Name of foundation

The ARCA Foundation  
c/o PNC Bank, N.A.-Agent

A Employer identification number

13-2751798

Number and street (or P O box number if mail is not delivered to street address)

1600 Market St.-Hawthorne-Tax Dept.

Room/suite

B Telephone number

(215) 585-5597

City or town, state or province, country, and ZIP or foreign postal code

Philadelphia, PA 19103-7240

C If exemption application is pending, check here ☐

G Check all that apply:

☐ Initial return☐ Initial return of a former public charity☐ Final return☐ Amended return☐ Address change☐ Name changeD 1. Foreign organizations, check here ☐2. Foreign organizations meeting the 85% test,  
check here and attach computation ☐

H Check type of organization:

☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundationE If private foundation status was terminated  
under section 507(b)(1)(A), check here ☐

I Fair market value of all assets at end of year

(from Part II, col (c), line 16)

J Accounting method:

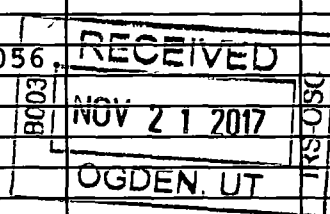
☐ Cash☒ Accrual☐ Other (specify)F If the foundation is in a 60-month termination  
under section 507(b)(1)(B), check here ☐

\$ 54,950,165. (Part I, column (d) must be on cash basis)

## Part I Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not  
necessarily equal the amounts in column (a))(a) Revenue and  
expenses per books(b) Net investment  
income(c) Adjusted net  
income(d) Disbursements  
for charitable purposes  
(cash basis only)

Revenue	1 Contributions, gifts, grants, etc., received	40,000.		N/A	
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	1,123,185.	1,123,185.		
	5a Gross rents	57,800.	57,800.		Statement 1
	b Net rental income or (loss)	57,800.			
	6a Net gain or (loss) from sale of assets not on line 10	619,056.			
	b Gross sales price for all assets on line 6a	34,714,827.			
	7 Capital gain net income (from Part IV, line 2)		619,056.		
	8 Net short-term capital gain				
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income	1,019.	1,019.		Statement 2	
12 Total. Add lines 1 through 11	1,841,060.	1,801,060.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	202,740.	0.		202,740.
	14 Other employee salaries and wages	36,788.	0.		36,788.
	15 Pension plans, employee benefits	99,031.	0.		99,031.
	16a Legal fees Stmt 3	20,380.	0.		20,380.
	b Accounting fees Stmt 4	23,394.	0.		23,394.
	c Other professional fees Stmt 5	104,797.	98,997.		438.
	17 Interest				
	18 Taxes Stmt 6	35,780.	0.		0.
	19 Depreciation and depletion	53,767.	8,413.		
	20 Occupancy	35,688.	17,844.		16,139.
	21 Travel, conferences, and meetings	87,651.	0.		87,651.
	22 Printing and publications	23,225.	0.		23,225.
	23 Other expenses Stmt 7	66,059.	0.		65,406.
	24 Total operating and administrative expenses. Add lines 13 through 23	789,300.	125,254.		575,192.
	25 Contributions, gifts, grants paid	2,830,218.			2,985,218.
26 Total expenses and disbursements. Add lines 24 and 25	3,619,518.	125,254.		3,560,410.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	<1,778,458.>				
b Net investment income (if negative, enter -0-)		1,675,806.			
c Adjusted net income (if negative, enter -0-)			N/A		



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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash - non-interest-bearing		133,478.	167,932.	167,932.
	2	Savings and temporary cash investments				
	3	Accounts receivable ▶ 31,709.				
		Less: allowance for doubtful accounts ▶	12,471.	31,709.	31,709.	
	4	Pledges receivable ▶ 0.				
		Less: allowance for doubtful accounts ▶	25,000.			
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons				
	7	Other notes and loans receivable ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges	9,306.	5,773.	5,773.	
	10a	Investments - U.S. and state government obligations Stmt 8	3,659,494.	963,841.	963,841.	
	b	Investments - corporate stock Stmt 9	5,454,243.	9,986,548.	9,986,548.	
	c	Investments - corporate bonds	1,710,268.			
	Liabilities	11	Investments - land, buildings, and equipment basis ▶ 2,303,274.			
		Less accumulated depreciation ▶ 879,081.	1,471,435.	1,424,193.	3,993,520.	
12		Investments - mortgage loans				
13		Investments - other Stmt 10	39,691,980.	39,717,479.	39,717,479.	
14		Land, buildings, and equipment basis ▶				
		Less accumulated depreciation ▶				
15		Other assets (describe ▶ Statement 11)	64,862.	83,363.	83,363.	
16		Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	52,232,537.	52,380,838.	54,950,165.	
17		Accounts payable and accrued expenses	31,203.	38,109.		
18		Grants payable	190,000.	35,000.		
Net Assets or Fund Balances	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable				
	22	Other liabilities (describe ▶ Statement 12)	59,422.	78,722.		
	23	Total liabilities (add lines 17 through 22)	280,625.	151,831.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted	51,951,912.	52,229,007.		
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, bldg., and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
30	Total net assets or fund balances	51,951,912.	52,229,007.			
31	Total liabilities and net assets/fund balances	52,232,537.	52,380,838.			

## Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	51,951,912.
2	Enter amount from Part I, line 27a	2	<1,778,458.>
3	Other increases not included in line 2 (itemize) ▶ Unrealized gains	3	2,055,553.
4	Add lines 1, 2, and 3	4	52,229,007.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	52,229,007.

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a Publicly traded securities	P		
b Merger payout	P		
c Class action settlements	P		
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 34,701,457.		34,095,771.	605,686.
b 12,878.			12,878.
c 492.			492.
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			605,686.
b			12,878.
c			492.
d			
e			

2 Capital gain net income or (net capital loss)	<div style="display: flex; align-items: center;"> <div style="border-left: 1px solid black; padding-left: 5px;">           If gain, also enter in Part I, line 7            If (loss), enter -0- in Part I, line 7         </div> <div style="margin-left: 10px;">           2           <div style="border-left: 1px solid black; padding-left: 10px;">619,056.</div> </div> </div>
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	<div style="display: flex; align-items: center;"> <div style="border-left: 1px solid black; padding-left: 5px;">           If gain, also enter in Part I, line 8, column (c).            If (loss), enter -0- in Part I, line 8         </div> <div style="margin-left: 10px;">           3           <div style="border-left: 1px solid black; padding-left: 10px;">N/A</div> </div> </div>

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2015	3,267,939.	52,148,615.	.062666
2014	3,206,055.	53,734,880.	.059664
2013	3,009,676.	51,107,097.	.058890
2012	2,696,185.	48,489,106.	.055604
2011	2,710,251.	48,619,883.	.055744

2 Total of line 1, column (d)	2	.292568
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.058514
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	51,191,816.
5 Multiply line 4 by line 3	5	2,995,438.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	16,758.
7 Add lines 5 and 6	7	3,012,196.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	3,560,410.

**Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)**

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	16,758.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	16,758.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	16,758.
6 Credits/Payments:			
a 2016 estimated tax payments and 2015 overpayment credited to 2016	6a	59,067.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	59,067.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	42,309.	
11 Enter the amount of line 10 to be: Credited to 2017 estimated tax <input checked="" type="checkbox"/> Refunded <input type="checkbox"/>	11	0.	

**Part VII-A Statements Regarding Activities**

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. \$ 0. (2) On foundation managers. \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <u>DC, NY</u>		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

**Part VII-A Statements Regarding Activities** (continued)

	Yes	No
11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11	X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12	X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>www.arcafoundation.org</u>	13	X
14 The books are in care of ► <u>PNC Bank, N.A. - Agent</u> Telephone no. ► <u>(215) 585-5597</u> Located at ► <u>1600 Market St.-Hawthorne-Tax Dept., Philadelphia</u> ZIP+4 ► <u>19103-7240</u>		
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	15	N/A
16 At any time during calendar year 2016, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►	16	X

**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required**

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	1b	X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2016?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? If "Yes," list the years ►	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b Are there any years listed in 2a for which the foundation is <b>not</b> applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)	N/A	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ►	2b	
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 2016 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2016)	N/A	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?	4b	X

**Part VII-B** Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions)

☒ Yes ☐ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5b

X

Organizations relying on a current notice regarding disaster assistance check here

☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

☒ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

6b

X

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 13		202,740.	73,043.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000

0

**3 Five highest-paid independent contractors for professional services. If none, enter "NONE."**

<b>Part IX-A</b>	<b>Summary of Direct Charitable Activities</b>
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## Expenses

<b>Part IX-B</b>	<b>Summary of Program-Related Investments</b>
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**Amount**

**Total.** Add lines 1 through 3

**Part X** Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	49,460,135.
b	Average of monthly cash balances	1b	186,819.
c	Fair market value of all other assets	1c	2,324,433.
d	Total (add lines 1a, b, and c)	1d	51,971,387.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	51,971,387.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	779,571.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	51,191,816.
6	Minimum investment return. Enter 5% of line 5	6	2,559,591.

**Part XI** Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	2,559,591.
2a	Tax on investment income for 2016 from Part VI, line 5	2a	16,758.
b	Income tax for 2016. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	16,758.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	2,542,833.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	2,542,833.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	2,542,833.

**Part XII** Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	3,560,410.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	3,560,410.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	16,758.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	3,543,652.

**Note:** The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

**Part XIII Undistributed Income** (see instructions)

	(a) Corpus	(b) Years prior to 2015	(c) 2015	(d) 2016
<b>1</b> Distributable amount for 2016 from Part XI, line 7				2,542,833.
<b>2</b> Undistributed income, if any, as of the end of 2016				
<b>a</b> Enter amount for 2015 only			0.	
<b>b</b> Total for prior years:		0.		
<b>3</b> Excess distributions carryover, if any, to 2016:				
<b>a</b> From 2011	354,875.			
<b>b</b> From 2012	312,746.			
<b>c</b> From 2013	580,093.			
<b>d</b> From 2014	602,733.			
<b>e</b> From 2015	701,018.			
<b>f</b> Total of lines 3a through e	2,551,465.			
<b>4</b> Qualifying distributions for 2016 from Part XII, line 4: ▶ \$ 3,560,410.				
<b>a</b> Applied to 2015, but not more than line 2a			0.	
<b>b</b> Applied to undistributed income of prior years (Election required - see instructions)		0.		
<b>c</b> Treated as distributions out of corpus (Election required - see instructions)	0.			
<b>d</b> Applied to 2016 distributable amount				2,542,833.
<b>e</b> Remaining amount distributed out of corpus	1,017,577.			
<b>5</b> Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus: Add lines 3f, 4c, and 4e. Subtract line 5	3,569,042.			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b		0.		
<b>c</b> Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
<b>d</b> Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
<b>e</b> Undistributed income for 2015. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
<b>f</b> Undistributed income for 2016. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2017				0.
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	0.			
<b>8</b> Excess distributions carryover from 2011 not applied on line 5 or line 7	354,875.			
<b>9</b> Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	3,214,167.			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2012	312,746.			
<b>b</b> Excess from 2013	580,093.			
<b>c</b> Excess from 2014	602,733.			
<b>d</b> Excess from 2015	701,018.			
<b>e</b> Excess from 2016	1,017,577.			

**Part XIV Private Operating Foundations** (see instructions and Part VII-A, question 9)

N/A

**1 a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2016, enter the date of the ruling

**b** Check box to indicate whether the foundation is a private operating foundation described in section

☐ 4942(j)(3) or ☐ 4942(j)(5)

**2 a** Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

**b 85% of line 2a**

**c** Qualifying distributions from Part XII,  
line 4 for each year listed

**d** Amounts included in line 2c not used directly for active conduct of exempt activities

**e** Qualifying distributions made directly for active conduct of exempt activities.

Subtract line 2d from line 2c

**3** Complete 3a, b, or c for the alternative test relied upon:

a "Assets" alternative test - enter:  
(1) Value of all assets

(2) Value of assets qualifying under section 4942(j)(3)(B)(i)

**b** "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed

c "Support" alternative test - enter:

(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)

(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)

**(3) Largest amount of support from an exempt organization**

(4) Gross investment income

**Part XV** **Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year-see instructions.)**

**1 Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

None

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

None

**2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

Check here ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

**a** The name, address, and telephone number or e-mail address of the person to whom applications should be addressed:

Executive Director, 202-822-9193

1308 19th Street NW, Washington, DC 20036

**b The form in which applications should be submitted and information and materials they should include:**

See "How to Apply" Information from Foundation's Website

**c Any submission deadlines:**

See "How to Apply" Information from Foundation's Website

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

**See "How to Apply" Information from Foundation's Website**

**Part XV** Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
Albert Einstein Institution P.O. Box 455 East Boston, MA 02128		PC	General Support	25,000.
Albert Einstein Institution P.O. Box 455 East Boston, MA 02128		PC	Matching grant for documented fundraising	15,000.
Albert Einstein Institution P.O. Box 455 East Boston, MA 02128		PC	Fundraising, outreach plan, and budget approval award	25,000.
Alliance for Global Justice 225 E 26th Street Tucson, AZ 85713		PC	To support Million Hoodies Movement for Justice	3,000.
Alliance for Global Justice 225 E 26th Street Tucson, AZ 85713		PC	To support United Students Against Sweatshops	3,000.
Total See continuation sheet(s) ▶ 3a				2,985,218.
b Approved for future payment				
Proteus Fund Inc. 15 Research Drive, #B, Amherst, MA 01002		PC	To support Security & Rights Collaborative	35,000.
Total ▶ 3b				35,000.

**Part XVI-A Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e)
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount		Related or exempt function income
<b>1</b> Program service revenue:						
a _____						
b _____						
c _____						
d _____						
e _____						
f _____						
g Fees and contracts from government agencies						
<b>2</b> Membership dues and assessments						
<b>3</b> Interest on savings and temporary cash investments						
<b>4</b> Dividends and interest from securities			14	1,123,185.		
<b>5</b> Net rental income or (loss) from real estate:						
a Debt-financed property						
b Not debt-financed property			16	57,800.		
<b>6</b> Net rental income or (loss) from personal property						
<b>7</b> Other investment income			18	1,019.		
<b>8</b> Gain or (loss) from sales of assets other than inventory			18	619,056.		
<b>9</b> Net income or (loss) from special events						
<b>10</b> Gross profit or (loss) from sales of inventory						
<b>11</b> Other revenue:						
a _____						
b _____						
c _____						
d _____						
e _____						
<b>12</b> Subtotal. Add columns (b), (d), and (e)		0.		1,801,060.		0.
<b>13</b> Total. Add line 12, columns (b), (d), and (e)					13	1,801,060.

(See worksheet in line 13 instructions to verify calculations.)

**Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes**

[illegible]

**Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations**

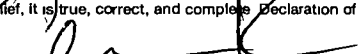

- |  |                   |
|--|-------------------|
| <p><b>1</b> Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?</p> <p><b>a</b> Transfers from the reporting foundation to a noncharitable exempt organization of:</p> <p>(1) Cash</p> <p>(2) Other assets</p> <p><b>b</b> Other transactions:</p> <p>(1) Sales of assets to a noncharitable exempt organization</p> <p>(2) Purchases of assets from a noncharitable exempt organization</p> <p>(3) Rental of facilities, equipment, or other assets</p> <p>(4) Reimbursement arrangements</p> <p>(5) Loans or loan guarantees</p> <p>(6) Performance of services or membership or fundraising solicitations</p> <p><b>c</b> Sharing of facilities, equipment, mailing lists, other assets, or paid employees</p> <p><b>d</b> If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.</p> | <p><b>Yes</b></p> |
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	Yes	No
1a(1)		X
1a(2)		X
1b(1)		X
1b(2)		X
1b(3)		X
1b(4)		X
1b(5)		X
1b(6)		X
1c		X

[illegible]

- 2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No
- b** If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.				May the IRS discuss this return with the preparer shown below (see instr)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	 Signature of officer or trustee		11.14.17 Date			Executive Director Title
Paid Preparer Use Only	Print/Type preparer's name Nicole M. Prince, CPA		Preparer's signature 		Date 11/13/17	Check <input type="checkbox"/> if self-employed PTIN P01315245
	Firm's name ▶ Rogers & Company PLLC					Firm's EIN ▶ 58-2676261
	Firm's address ▶ 8300 Boone Boulevard, Suite 600 Vienna, VA 22182					Phone no. (703) 893-0300

The ARCA Foundation  
c/o PNC Bank, N.A. - Agent  
**Form 990-PF, Part VII-B, Line 5c - Expenditure Responsibility Statement**

13-2751798

Recipient's Name and Address	No. 1	Grant Amount	Date of Grant	Amount Expended	Verification Date
Brenn Foundation 1308 19th Street NW Washington, DC 20036		16,968.	10/01/16	16,968.	
<b>Purpose of Grant</b>  To support an educational conference at Musgrove Conference Center					
<b>Date of Reports by Grantee</b> 12/20/2016		<b>Diversions by Grantee</b> No			
<b>Results of Verification</b>					

The ARCA Foundation  
c/o PNC Bank, N.A.-Agent

13-2751798

**Part XV** Supplementary Information

**3 Grants and Contributions Paid During the Year (Continuation)**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Alliance for Global Justice 225 E 26th Street Tucson, AZ 85713		PC	Matching grant for documented fundraising	15,000.
American Prospect Inc. 1225 Eye Street NW, Suite 600 Washington, DC 20005		PC	General Support	30,000.
Brave New Films 10510 Culver Blvd. Culver City, CA 90232		PC	To support the Inequality Campaign	25,000.
Brenn Foundation 1308 19th Street NW Washington, DC 20036		SO III FI	To support an educational conference at Musgrove Conference Center	16,968.
Catskill Mountainkeeper Inc 47B Main Street Livingston Manor, NY 12758		PC	To support Rootskeeper	25,000.
Center for Economic and Policy Research 1611 Connecticut Ave NW Ste 400 Washington, DC 20009		PC	General Support	65,000.
Center for Economic and Policy Research 1611 Connecticut Ave NW Ste 400 Washington, DC 20009		PC	To Support the Revolving Door Project	25,000.
Center for Effective Government (return of grant) 2040 S Street NW Washington, DC 20009		PC	Grant refunded due to closing	<25,000.>
Center for International Policy Inc. 2000 M Street NW, #720 Washington, DC 20036		PC	To support Win Without War	75,000.
Center for Media and Democracy Inc. P.O. Box 259010 Madison, WI 53725		PC	To support Populist Culture Project	50,000.
Total from continuation sheets				2,914,218.

The ARCA Foundation  
c/o PNC Bank, N.A.-Agent

13-2751798

**Part XV** Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)				
Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Center for Popular Democracy Inc. 449 Troutman Street, Suite A Brooklyn, NY 11237		PC	To support Wall Street Accountability project	100,000.
Center for Popular Democracy Inc. 449 Troutman Street, Suite A Brooklyn, NY 11237		PC	To support Musgrove Convening on Wall Street Accountability & Racial Justice	30,000.
Citizen Engagement Lab Education Fund 1330 Broadway, #300 Oakland, CA 94612		PC	To support Financial Reform Project	75,000.
Coact Education Foundation 2469 University Avenue West, Suite W150 Saint Paul, MN 55114		PC	To support Minnesota Neighborhoods Organizing for Change	50,000.
Coact Education Foundation 2469 University Avenue West, Suite W150 Saint Paul, MN 55114		PC	Smith Bagley Award to Minnesota Neighborhoods Organizing for Change	25,000.
ColorOfChange.org Education Fund Inc. 1714 Franklin Street, Suite 100-136 Oakland, CA 94612		PC	General Support	75,000.
Confluence Philanthropy Inc. 475 Riverside Drive, Suite 900 New York, NY 10115		PC	General Support	1,000.
Courage Campaign Institute 7119 West Sunset Boulevard, No. 195 Los Angeles, CA 90046		PC	General Support	25,000.
Economic Policy Institute 1225 Eye Street NW, Suite 600 Washington, DC 20005		PC	General Support	50,000.
Friends of the Earth 1101 15th Street NW, 11th Fl Washington, DC 20005		PC	To support International Finance project	50,000.
Total from continuation sheets				

The ARCA Foundation  
c/o PNC Bank, N.A.-Agent

13-2751798

**Part XV** Supplementary Information

**3 Grants and Contributions Paid During the Year (Continuation)**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Fund for Constitutional Government 122 Maryland Avenue NE Washington, DC 20002		PC	To support FACT Coalition	50,000.
Fund for Constitutional Government 122 Maryland Avenue NE Washington, DC 20002		PC	To suport Peace and Security Funders Group	3,000.
Grassroots Collaborative 637 S Dearborn Street Chicago, IL 60605		PC	General Support	50,000.
IfNotNow P.O. Box 26425 Washington, DC 20001		PC	General Support	40,000.
Institute for America's Future Inc. 1825 K Street, Suite 400 Washington, DC 20006		PC	General Support	25,000.
Institute for Policy Studies 1301 Connecticut Avenue NW, Suite 600 Washington, DC 20036		PC	To support Wall Street Accountability project	40,000.
International Labor Rights Forum 1634 Eye Street NW, #1001 Washington, DC 20006		PC	General support	30,000.
J Street Education Fund Inc. P.O. Box 66073 Washington, DC 20035		PC	General Support	50,000.
Jubilee USA Network Inc. 212 East Capitol Street NE Washington, DC 20003		PC	General Support	50,000.
Just Vision Inc. 1616 P Street NW, Suite 340 Washington, DC 20036		PC	General Support	50,000.
Total from continuation sheets				

The ARCA Foundation  
c/o PNC Bank, N.A.-Agent

13-2751798

**Part XV** Supplementary Information

**3 Grants and Contributions Paid During the Year (Continuation)**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Leadership Conference Education Fund 1620 L Street NW, #1100 Washington, DC 20036		PC	To support Americans for Financial Reform	125,000.
Make the Road by Walking 301 Grove Street Brooklyn, NY 11237		PC	To support Committee for Better Banks Campaign	5,000.
National Committee for Responsive Philanthropy 1900 L Street NW, Suite 825 Washington, DC 20036		PC	General Support	1,500.
National Iranian American Council 1629 K Street NW, Suite 503 Washington, DC 20006		PC	General Support	50,000.
National Iranian American Council 1629 K Street NW, Suite 503 Washington, DC 20006		PC	To support Iran Policy: Recommendations for the Next President	2,500.
National People's Action 810 N Milwaukee Chicago, IL 60642		PC	To support Financialization project	50,000.
National Security Archive Fund Inc. 2130 H Street NW, Suite 701 Washington, DC 20037		PC	General Support	40,000.
Neighborhood Funders Group 436 14th Street, Suite 425 Oakland, CA 94612		PC	General Support and to support Funders for Justice	6,250.
NEO Philanthropy Inc. 45 W 36th Street, 6th Fl New York, NY 10018		PC	To support Funders Committee for Civic Participation	10,000.
NEO Philanthropy Inc. 45 W 36th Street, 6th Fl New York, NY 10018		PC	To support GetEQUAL Education Fund	5,000.
Total from continuation sheets				

The ARCA Foundation  
c/o PNC Bank, N.A.-Agent

13-2751798

**Part XV** Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)				
Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
New Venture Fund 1201 Connecticut Avenue NW, #300 Washington, DC 20036		PC	To support BlackCivic Engagement Fund	50,000.
New Venture Fund 1201 Connecticut Avenue NW, #300 Washington, DC 20036		PC	To support Youth Engagement Fund	50,000.
New Venture Fund 1201 Connecticut Avenue NW, #300 Washington, DC 20036		PC	To support Demand Progress	75,000.
New Venture Fund 1201 Connecticut Avenue NW, #300 Washington, DC 20036		PC	To support Inclusive Economy Fund	100,000.
New World Foundation 666 West End Avenue New York, NY 10025		PC	To support Organization United for Respect at Walmart	75,000.
New York Communities Organizing Fund Inc. 1 MetroTech Center North, 11th Fl Brooklyn, NY 11201		PC	General Support	75,000.
Peace Development Fund Inc. 3221 22nd Street San Francisco, CA 94110		PC	To support Women Cross DMZ	35,000.
ProgressiveCongress.Org 600 Pennsylvania Avenue SE, #340 Washington, DC 20003		PC	General Support	30,000.
Progressive Maryland Education Fund Inc. 35 University Boulevard E Silver Spring, MD 20901		PC	General Support	5,000.
The Project on Government Oversight Inc. 1100 G Street NW, Suite 500 Washington, DC 20005		PC	General Support	50,000.
Total from continuation sheets				

The ARCA Foundation  
c/o PNC Bank, N.A.-Agent

13-2751798

**Part XV** Supplementary Information

**3 Grants and Contributions Paid During the Year (Continuation)**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Proteus Fund Inc. 15 Research Drive, #B Amherst, MA 01002		PC	To support Solidaire Fund	25,000.
Proteus Fund Inc. 15 Research Drive, #B Amherst, MA 01002		PC	To support International Human Rights Funders Group	1,000.
Public Accountability Initiative Inc. 89 Rhode Island Street Buffalo, NY 14213		PC	General Support	40,000.
Public Citizen Foundation Inc. 1600 20th Street NW Washington, DC 20009		PC	To support Wall Street Reform: Round II project	50,000.
Public Citizen Foundation Inc. 1600 20th Street NW Washington, DC 20009		PC	To support Wall Street Reform: Round II project	50,000.
The Franklin & Eleanor Roosevelt Institute 570 Lexington Avenue, 18th Fl New York, NY 10022		PC	To support Economic Reform Project	75,000.
The Franklin & Eleanor Roosevelt Institute 570 Lexington Avenue, 18th Fl New York, NY 10022		PC	To support Economic Reform Project	75,000.
Rutgers, The State University of New Jersey 3 Rutgers Plaza New Brunswick, NJ 08901		PC	To support Uniting for the Common Good project at Center for Innovation in Worker Organization	30,000.
Stanford University 450 Serra Mall Stanford, CA 94305		PC	To support the King Institute "Ways to Justice" Conference	3,000.
Sustainable Markets Foundation 45 West 36th Street, 6th Fl New York, NY 10018		PC	To support Debt Collective student debtor organizing	5,000.
Total from continuation sheets				

The ARCA Foundation  
c/o PNC Bank, N.A.-Agent

13-2751798

**Part XV Supplementary Information**

<b>3 Grants and Contributions Paid During the Year (Continuation)</b>				
Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
The Minnesota Citizen Education Fund Inc. 705 Raymond Avenue, #100 Saint Paul, MN 55114		PC	General Support	50,000.
Taxpayers for Common Sense 651 Pennsylvania Avenue SE Washington, DC 20003		PC	General Support	40,000.
Agenda Project Education Fund Inc. 1010 Wisconsin Avenue NW, Suite 705B Washington, DC 20007		PC	To support Patriotic Millionaires	5,000.
The Nation Institute 116 East 16th Street, 8th Fl New York, NY 10003		PC	To support student tables at the Ridenhour Prizes	4,000.
The Other 98% Lab 13324 SW 220th Street Vashon, WA 98070		PC	General Support	40,000.
Tides Foundation P.O. Box 29198 San Francisco, CA 94129		PC	To support Working Families Fund	75,000.
Tides Foundation P.O. Box 29198 San Francisco, CA 94129		PC	To support Flint People's Recovery Fund	25,000.
United We Dream Network Inc. 1900 L Street NW, Suite 900 Washington, DC 20036		PC	To support 2016 United We Dream National Congress	5,000.
Women's Action for New Directions Education Fund Inc. 810 7th Street NW Washington, DC 20002		PC	General Support	40,000.
ACCE Institute 3655 S Grand Avenue, #250 Los Angeles, CA 90007		PC	General Support	75,000.
<b>Total from continuation sheets</b>				

The ARCA Foundation  
c/o PNC Bank, N.A.-Agent

13-2751798

**Part XV** Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)				
Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
CEL Education Fund 1330 Broadway Third Floor Oakland, CA 94612		PC	To support Financial Reform project	75,000.
Center for Economic and Policy Research 1611 Connecticut Ave NW Ste 400 Washington, DC 20009		PC	General support	40,000.
Franklin & Eleanor Roosevelt Institute 570 Lexington Avenue 5th Floor New York, NY 10022		PC	To support Economic Reform project	75,000.
Total from continuation sheets				

Form 990-PF	Rental Income	Statement	1
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Kind and Location of Property	Activity Number	Gross Rental Income
Real estate - 1308 19th Street, NW, Washington DC 20036	1	57,800.
Total to Form 990-PF, Part I, line 5a		57,800.

Form 990-PF	Other Income	Statement	2
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Description	(a) Revenue Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income
Taxes withheld, returned	1,019.	1,019.	
Total to Form 990-PF, Part I, line 11	1,019.	1,019.	

Form 990-PF	Legal Fees	Statement	3
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Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Legal	20,380.	0.		20,380.
To Fm 990-PF, Pg 1, ln 16a	20,380.	0.		20,380.

Form 990-PF	Accounting Fees	Statement	4
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Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Accounting	23,394.	0.		23,394.
To Form 990-PF, Pg 1, ln 16b	23,394.	0.		23,394.

Form 990-PF	Other Professional Fees			Statement	5
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
Investment mgmt fees	98,997.	98,997.		0.	
Consultants/temporary staff	5,800.	0.		438.	
To Form 990-PF, Pg 1, ln 16c	104,797.	98,997.		438.	

Form 990-PF	Taxes			Statement	6
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
Federal excise tax	35,780.	0.		0.	
To Form 990-PF, Pg 1, ln 18	35,780.	0.		0.	

Form 990-PF	Other Expenses			Statement	7
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
Repairs and maintenance	18,433.	0.		18,433.	
Miscellaneous	18,885.	0.		14,741.	
Dues and postage	14,375.	0.		14,375.	
Furniture and equip. rental	4,693.	0.		5,105.	
Office supplies	2,843.	0.		5,820.	
Telephone	6,830.	0.		6,932.	
To Form 990-PF, Pg 1, ln 23	66,059.	0.		65,406.	

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Form 990-PF	U.S. and State/City Government Obligations	Statement	8
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Description	U.S. Gov't	Other Gov't	Book Value	Fair Market Value
U.S. Treasury Bonds and Notes	X		253,686.	253,686.
U.S. Government Agencies	X		710,155.	710,155.
Total U.S. Government Obligations			963,841.	963,841.
Total State and Municipal Government Obligations				
Total to Form 990-PF, Part II, line 10a			963,841.	963,841.

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Form 990-PF	Corporate Stock	Statement	9
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Description	Book Value	Fair Market Value
Common Stock	9,986,548.	9,986,548.
Total to Form 990-PF, Part II, line 10b	9,986,548.	9,986,548.

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Form 990-PF	Other Investments	Statement	10
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Description	Valuation Method	Book Value	Fair Market Value
Mutual funds - equity	FMV	25,775,062.	25,775,062.
Cash equivalents	FMV	2,850,069.	2,850,069.
Mutual funds - fixed	FMV	11,092,348.	11,092,348.
Total to Form 990-PF, Part II, line 13		39,717,479.	39,717,479.

Form 990-PF	Other Assets		Statement 11
Description	Beginning of Yr Book Value	End of Year Book Value	Fair Market Value
Investment receivable	60,143.	36,951.	36,951.
Federal excise tax refund receivable	66,892.	46,412.	46,412.
Adjust adjustment investments	<62,173.>	0.	0.
To Form 990-PF, Part II, line 15	64,862.	83,363.	83,363.

Form 990-PF	Other Liabilities		Statement 12
Description	BOY Amount	EOY Amount	
Tenant security deposit	4,800.	4,800.	
Deferred federal excise tax liability	53,622.	72,922.	
Deferred rental revenue	1,000.	1,000.	
Total to Form 990-PF, Part II, line 22	59,422.	78,722.	

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Form 990-PF      Part VIII - List of Officers, Directors      Statement 13  
Trustees and Foundation Managers

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Name and Address	Title and Avrg Hrs/Wk	Compen- sation	Employee Ben Plan Expense Contrib Account	
Nancy R. Bagley 1308 19th Street, NW Washington, DC 20036	President 30.00	12,870.	21,522.	0.
Nicole Ladmer Bagley 1308 19th Street, NW Washington, DC 20036	Vice President 30.00	12,870.	21,476.	0.
Mary E. King 1308 19th Street, NW Washington, DC 20036	Secretary 1.00	5,000.	0.	0.
Amaha Kassa 1308 19th Street, NW Washington, DC 20036	Board Member 1.00	5,000.	0.	0.
Janet Shenk 1308 19th Street, NW Washington, DC 20036	Board Member 1.00	5,000.	0.	0.
Joseph Eldridge 1308 19th Street, NW Washington, DC 20036	Board Member 1.00	5,000.	0.	0.
Margery Tabankin 1308 19th Street, NW Washington, DC 20036	Board Member 1.00	5,000.	0.	0.
Mike Lux 1308 19th Street, NW Washington, DC 20036	Board Member 1.00	5,000.	0.	0.
Anna Lefer Kuhn 1308 19th Street, NW Washington, DC 20036	Executive Director 40.00	147,000.	30,045.	0.
Totals included on 990-PF, Page 6, Part VIII		202,740.	73,043.	0.

The Arca Foundation  
 EIN: 13-2751798  
 Form 990-PF - Part I, Line 19 attachment, Depreciation Schedule

**Construction**

Date	Building 39 year depreciation	SL	Cost	Accumulated Depreciation Beg of Year	2016 Depreciation	Accumulated Depreciation End of Year	Net PPE
12/30/1997	2001 Bldg Improvements	39	415,156.06	148,901	10,645	159,546	255,610
2/27/1998	Starvopoulos	39	54,235.66	19,353	1,391	20,744	33,492
4/29/1998	Starvopoulos	39	132,702.45	46,786	3,403	50,189	82,514
6/14/1998	Starvopoulos	39	175,556.69	61,145	4,501	65,646	109,911
7/14/1998	Starvopoulos	39	82,001.62	28,385	2,103	30,488	51,514
7/14/1998	N gen (winng)	39	11,408.00	3,949	293	4,241	7,167
8/14/1998	Starvopoulos	39	130,636.42	44,941	3,350	48,291	82,346
9/17/1998	Starvopoulos	39	142,527.17	48,727	3,655	52,382	90,145
9/14/1998	Kemco	39	3,963.00	1,355	102	1,457	2,506
11/14/1998	Starvopoulos	39	55,087.47	18,598	1,413	20,010	35,077
12/30/1998	Starvopoulos	39	31,506.10	10,569	808	11,377	20,129
10/14/2003	Kennedy Home Improve	39	12,750.00	2,691	327	3,018	9,732
4/3/2008	ADR Design	39	26,893.00	2,111	690	2,801	24,092
<b>Total Construction</b>			<b>1,274,424</b>	<b>437,513</b>	<b>32,678</b>	<b>470,190</b>	<b>804,233</b>

**Building & Land**

1/30/2001	Land	39	218,750	-	-	-	218,750
1/30/2001	Building	39	656,250	251,001	16,827	267,828	388,422
<b>Total Land &amp; Building</b>			<b>875,000</b>	<b>251,001</b>	<b>16,827</b>	<b>267,828</b>	<b>607,172</b>

**Furniture & Equipment**

11/18/1992	Virginia Schofield Painting	7	1,300	1,300	-	1,300	-
12/30/1992	Office Equipment	7	515	515	-	515	-
3/26/1993	Glass Top Coffee Table	7	1,100	1,100	-	1,100	-
7/17/1993	J. Shenk (Leather Couch)	7	1,189	1,189	-	1,189	-
7/22/1994	Computer - AMEX	5	3,766	3,766	-	3,766	-
4/14/2000	Digital Recorder	5	2,125	2,125	-	2,125	-
12/30/2000	2 Dell computers (1-laptop)	5	2,287	2,287	-	2,287	-
2/14/1998	Security & Access System	5	4,000	4,000	-	4,000	-
4/14/1998	Screen, Projector	5	9,165	9,165	-	9,165	-
9/14/1998	Telephones (n gen)	7	6,227	6,227	-	6,227	-
9/14/1998	TV for Security	7	1,255	1,255	-	1,255	-
9/26/1998	Conference Table	7	11,946	11,946	-	11,946	-
10/21/1998	Waveworks Highback Organizer	5	715	715	-	715	-
10/30/1998	Escalade Table Desk	7	991	991	-	991	-
10/30/1998	Escalade Free Standing Storage Credenza	7	1,255	1,255	-	1,255	-
10/30/1998	High Back Wood Base Chair	7	519	519	-	519	-
10/30/1998	42" Round Table Autumn	7	610	610	-	610	-
10/30/1998	Escalade 36 x 72 Bookcase	7	945	945	-	945	-
10/30/1998	14 High Back Wood Base Chairs	7	13,391	13,391	-	13,391	-
10/30/1998	Escalade Single Ped Desk Left Arc Top	7	1,272	1,272	-	1,272	-
10/30/1998	Escalade 22x72 Right File/File Ped Credenza	7	921	921	-	921	-
10/30/1998	2 Escalade 36x72 Bookcase/Storage	7	1,890	1,890	-	1,890	-
10/30/1998	Left Pedestal Desk	7	1,510	1,510	-	1,510	-
10/30/1998	Escalade Right Return Reception	7	1,005	1,005	-	1,005	-
10/30/1998	High Back Wood Base Chair	7	519	519	-	519	-
11/14/1998	Jefferson Series Credenza	7	1,190	1,190	-	1,190	-
11/14/1998	Kemco (balance of Alarm system)	7	4,945	4,945	-	4,945	-
12/4/1998	Hacht Co. (Oriental Rug)	7	752	752	-	752	-
12/11/1998	Onkyo TX-SR600 Audio Video	5	560	560	-	560	-
2/14/2000	Foliographics	5	572	572	-	572	-
4/14/2001	Pictures & Rugs	7	4,083	4,083	-	4,083	-
7/14/2004	Persian Rug for conference room	7	12,785	12,785	-	12,785	-
8/14/2004	2 iMacs & software	5	3,951	3,951	-	3,951	-
11/14/2004	Server Hardware/software and installation	5	15,192	15,192	-	15,192	-
10/14/2005	Base Grant Process Software (Npower)	3	20,000	20,000	-	20,000	-
2/27/2008	Macbook Air (Anna Leifer Kuhn)	5	2,353	2,353	-	2,353	-
<b>Total Furniture &amp; Equipment</b>			<b>136,800</b>	<b>136,800</b>	<b>-</b>	<b>136,800</b>	<b>-</b>

**Website**

11/11/2011	Rebecca Freedman consulting fees to redesign website	3	4,000	-	1,000	1,000	3,000
12/21/2011	Friendly Design Company (site design/development)	3	6,525	-	1,631	1,631	4,894
4/19/2016	Friendly Design Company (site design/development)	3	6,525	-	1,631	1,631	4,894
<b>Total Website</b>			<b>17,050</b>	<b>-</b>	<b>4,263</b>	<b>4,263</b>	<b>12,788</b>

**Total PPE** **2,303,274** **825,314** **53,767** **879,081** **1,424,193**

**The Arca Foundation**

**Financial Statements  
and Independent Auditors' Report**

**December 31, 2016 and 2015**

**The Arca Foundation**  
**Financial Statements**  
**December 31, 2016 and 2015**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
The Arca Foundation

We have audited the accompanying financial statements of The Arca Foundation ("the Foundation"), which comprise the statement of financial position as of December 31, 2016, the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matter***

The financial statements of the Foundation as of December 31, 2015, were audited by other auditors whose report, dated May 5, 2016, expressed an unmodified opinion on those statements.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included on pages 18-30 and pages 43-44 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The information for the year ended December 31, 2015 on pages 31-42 and pages 45-46 was subjected to the auditing procedures applied in the audit of the basic financial statements by other independent auditors, whose report, dated May 5, 2016, indicated that such information is fairly stated in all material respects to the basic statements as a whole.

Handwritten signature of Rogers + Company LLC in black ink.

Vienna, Virginia  
November 3, 2017

# **The Arca Foundation**

## **Statements of Financial Position December 31, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
Cash	\$ 167,932	\$ 133,478
Interest and dividends receivable	31,709	12,471
Pledges receivable	-	25,000
Federal excise tax refund receivable	46,412	66,892
Investments	50,667,868	50,453,812
Investments pending settlement	36,951	60,143
Prepaid expenses and deposits	5,773	9,306
Property and equipment, net	<u>1,424,193</u>	<u>1,471,435</u>
Total assets	<u>\$ 52,380,838</u>	<u>\$ 52,232,537</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 38,109	\$ 31,203
Deferred rental revenue	1,000	1,000
Grants payable	35,000	190,000
Security deposit	4,800	4,800
Deferred federal excise tax liability	<u>72,922</u>	<u>53,622</u>
Total liabilities	<u>151,831</u>	<u>280,625</u>
<b>Net Assets</b>		
Unrestricted	<u>52,229,007</u>	<u>51,951,912</u>
Total net assets	<u>52,229,007</u>	<u>51,951,912</u>
Total liabilities and net assets	<u>\$ 52,380,838</u>	<u>\$ 52,232,537</u>

*See accompanying notes.*

# **The Arca Foundation**

## **Statements of Activities** For the Years Ended December 31, 2016 and 2015

	2016	2015
<b>Unrestricted Revenue and Support</b>		
Investment income (loss):		
Unrealized gain (loss) on investments	\$ 2,055,553	\$ (2,585,848)
Realized gain on investments	605,686	595,751
Dividends	728,331	1,198,530
Interest	394,854	359,708
Investment advisory fees	(98,997)	(112,414)
Investment income (loss), net	3,685,427	(544,273)
Federal excise tax (expense) benefit on investment income	(35,780)	65,052
Contributions	40,000	25,000
Rental income	57,800	45,200
Other income	14,389	1,460
<b>Total net unrestricted revenue (loss) and support</b>	<b>3,761,836</b>	<b>(407,561)</b>
<b>Expenses</b>		
Grant awards, net of cancellations	2,830,218	2,837,940
Administrative and grants management expenses:		
Salaries and benefits	338,559	323,491
Travel costs	33,781	26,679
Meetings and conferences	23,870	32,061
Repairs and maintenance	18,433	20,740
Depreciation	53,767	49,504
Consultants/temporary staff	5,800	1,975
Miscellaneous	18,885	17,877
Board stipend	30,000	30,000
Utilities	9,873	10,124
Property taxes	25,815	28,397
Auditing and accounting	23,394	22,930
Legal	20,380	20,365
Insurance	14,375	16,929
Dues and postage	23,225	21,857
Furniture and equipment rental	4,693	4,916
Office supplies and expenses	2,843	3,489
Telephone	6,830	8,424
<b>Total administrative and grants management expenses</b>	<b>654,523</b>	<b>639,758</b>
<b>Total expenses</b>	<b>3,484,741</b>	<b>3,477,698</b>
<b>Change in Net Assets</b>	<b>277,095</b>	<b>(3,885,259)</b>
<b>Net Assets, beginning of year</b>	<b>51,951,912</b>	<b>55,837,171</b>
<b>Net Assets, end of year</b>	<b>\$ 52,229,007</b>	<b>\$ 51,951,912</b>

See accompanying notes.

# The Arca Foundation

## Statements of Cash Flows For the Years Ended December 31, 2016 and 2015

	2016	2015
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ 277,095	\$ (3,885,259)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Realized and unrealized (gain) loss on investments	(2,661,239)	1,990,097
Depreciation and amortization	53,767	49,504
Change in operating assets and liabilities:		
(Increase) decrease in:		
Interest and dividends receivable	(19,238)	(4,787)
Pledges receivable	25,000	(25,000)
Federal excise tax refund receivable	20,480	25,358
Other receivable	-	1,911
Investments pending settlement	23,192	(38,263)
Prepaid expenses and deposits	3,533	521
Increase (decrease) in:		
Accounts payable and accrued expenses	6,906	(1,575)
Deferred rental revenue	-	(60)
Grants payable	(155,000)	190,000
Security deposit	-	-
Deferred federal excise tax liability	19,300	(104,410)
Net cash used in operating activities	<u>(2,406,204)</u>	<u>(1,801,963)</u>
<b>Cash Flows from Investing Activities</b>		
Purchases of property and equipment	(6,525)	(10,525)
Purchases of investments	(32,217,323)	(42,077,492)
Proceeds from sales of investments	34,664,506	43,790,535
Net cash provided by investing activities	<u>2,440,658</u>	<u>1,702,518</u>
<b>Net Increase (Decrease) in Cash</b>	34,454	(99,445)
<b>Cash, beginning of year</b>	<u>133,478</u>	<u>232,923</u>
<b>Cash, end of year</b>	<u><u>\$ 167,932</u></u>	<u><u>\$ 133,478</u></u>
<b>Supplementary Cash Flow Information</b>		
Cash paid for income taxes	<u><u>\$ -</u></u>	<u><u>\$ 14,000</u></u>

See accompanying notes.

## **The Arca Foundation**

### **Notes to Financial Statements December 31, 2016 and 2015**

#### **1. Nature of Operations**

The Arca Foundation, formerly known as the Nancy Reynolds Bagley Foundation (“the Foundation”), is a private, not-for-profit, charitable organization based in Washington, D.C. The Foundation was established in 1952. The purpose of the Foundation is to support not-for-profit organizations in the United States whose work encourages a more open foreign policy based on respect for international law, human rights, and the sovereignty of all nations. The Foundation also supports projects concerned with domestic social change. The Foundation’s main source of revenue is investment income.

#### **2. Summary of Significant Accounting Policies**

##### Basis of Accounting and Presentation

The Foundation’s financial statements are prepared on the accrual basis of accounting. Net assets are reported based on the presence or absence of donor-imposed restrictions.

##### Classification of Net Assets

- *Unrestricted net assets* represent funds that are not subject to donor-imposed stipulations and are available for support of the Foundation’s operations.
- *Temporarily restricted net assets* represent funds subject to donor-imposed restrictions that are met either by actions of the Foundation or by the passage of time. There were no temporarily restricted net assets at December 31, 2016 and 2015.
- *Permanently restricted net assets* represent funds in which the principal must be held in perpetuity, while the earnings may be available for the general operations or restricted purposes imposed by the donors.

##### Pledges Receivable

Pledges receivable represent unconditional amounts committed to the Foundation. Management determines the allowance for doubtful accounts based upon review of outstanding receivables, historical collection information, and existing economic conditions. When a restriction is satisfied, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Management believes that all pledges receivable are collectible at December 31, 2015, and accordingly, no allowance for uncollectible accounts has been established. There were no pledges receivable at December 31, 2016.

## **The Arca Foundation**

### **Notes to Financial Statements December 31, 2016 and 2015**

#### **2. Summary of Significant Accounting Policies (continued)**

##### Investments

Investments are recorded at fair value based on quoted market prices. Realized and unrealized gains and losses are reported as a component of net investment income (loss) in the accompanying statements of activities. Investments pending settlement are included as investment receivables in the accompanying statements of financial position.

##### Property and Equipment

Property and equipment is recorded at cost. The Foundation capitalizes all expenditures for furniture and equipment over \$2,500. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which ranges from 3-7 years for furniture, equipment, and software, and is 39 years for building and building improvements. When assets are sold or otherwise disposed of, the asset cost and related accumulated depreciation are removed from the accounts, and any gain or loss is included in the statements of activities. Repairs and maintenance are charged to expense when incurred.

##### Revenue Recognition

The Foundation reports contributions as revenue when received or unconditionally promised. Contributions from unrelated parties are only accepted by the Foundation if they are unrestricted.

Rental income from the subleasing portion of the Foundation's building and revenue from all other sources is recognized when earned.

##### Grant Expenses

Grant awards are recognized as expenses upon approval from the Board, and subsequent notification to the grantee. The Foundation records grants payable upon approval and fulfillment of conditions, if applicable. At December 31, 2016 and 2015, all grants payable were due within one year.

##### Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in Note 9. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

## **The Arca Foundation**

### **Notes to Financial Statements December 31, 2016 and 2015**

#### **2. Summary of Significant Accounting Policies (continued)**

##### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

##### Reclassifications

Certain amounts in the 2015 financial statements have been reclassified to conform to the 2016 presentation. These reclassifications have no effect on the change in net assets previously reported.

##### Recently Issued Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases*. The update requires a lessee to recognize a right-of-use asset and lease liability, initially measured at the present value of the lease payments, in its statements of financial position. The guidance also expands the required quantitative and qualitative lease disclosures. The guidance is effective beginning in 2020.

In August 2016, the FASB issued ASU 2016-14, *Presentation of Financial Statements for Not-for-Profit Entities*. The update changes the manner by which nonprofit organizations classify net assets as well as improves information presented in financial statements and notes about nonprofit organization liquidity, financial performance, and cash flows. The guidance is effective beginning in 2018.

##### Subsequent Events

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through November 3, 2017, the date the financial statements were available to be issued.

## The Arca Foundation

### Notes to Financial Statements December 31, 2016 and 2015

#### 3. Concentration of Credit Risk

Financial instruments that potentially subject the Foundation to significant concentrations of credit risk consist of cash and investments. The Foundation maintains cash deposit and transaction accounts, along with investments, with various financial institutions and these values, from time to time, exceed insurable limits under the Federal Depository Insurance Corporation (FDIC) and Securities Investor Protection Corporation (SIPC). The Foundation has not experienced any credit losses on its cash and investments to date as it relates to FDIC and SIPC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

#### 4. Investments

Investments consist of the following at December 31, 2016:

	Fair Value	Cost
Cash and money market funds	\$ 2,850,069	\$ 2,850,069
Fixed income:		
US Treasury bonds and notes	253,686	264,110
Municipal bonds	710,155	721,710
Mutual funds	11,092,348	11,117,225
Equities:		
Stocks:		
Industrials	1,250,023	1,095,757
Consumer discretionary	592,038	586,704
Consumer staples	1,010,706	1,013,881
Financial	1,796,840	1,572,565
Materials	410,931	376,632
Information technology	1,581,866	1,442,040
Utilities	338,543	325,484
Health care	1,757,679	1,795,137
Telecommunication services	577,009	522,060
Real estate	88,374	89,380
Services	582,539	550,342
ETF	15,644,768	9,420,208
Long-short mutual funds	2,854,449	2,500,000
Alternative mutual funds	7,275,845	7,128,355
Total investments	<u>\$ 50,667,868</u>	<u>\$ 43,371,659</u>

## The Arca Foundation

### Notes to Financial Statements December 31, 2016 and 2015

#### 4. Investments (continued)

Investments consist of the following at December 31, 2015:

	Fair Value	Cost
Cash and money market funds	\$ 4,082,278	\$ 4,082,278
Fixed income:		
Corporate bonds	1,710,268	1,743,124
US Treasury bonds and notes	2,019,537	2,012,853
Agency bonds	1,583,253	1,573,216
Mutual funds	5,781,367	6,250,000
Mortgages	2,702	2,702
Asset-backed	392,633	392,223
Equities:		
Stocks:		
Industrials	630,956	537,992
Consumer discretionary	596,452	438,950
Consumer staples	332,805	262,560
Energy	257,252	338,039
Financial	1,846,066	1,544,496
Materials	95,085	102,460
Information technology	871,809	630,591
Utilities	135,992	104,826
Health care	477,728	390,058
Telecommunication services	153,939	130,038
Other	50,754	51,404
ETF	16,892,966	11,753,765
Long-short mutual funds	5,625,568	5,750,000
Alternative mutual funds	6,914,402	7,000,000
Total investments	<u>\$ 50,453,812</u>	<u>\$ 45,091,575</u>

## **The Arca Foundation**

Notes to Financial Statements  
December 31, 2016 and 2015

### **5. Fair Value Measurements**

The Foundation follows FASB Accounting Standard Codification 820, *Fair Value Measurements and Disclosures*, for its financial assets. This standard establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value measurement standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or other valuation techniques) to determine fair value.

The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the entity's perceived risk of that instrument.

The inputs used in measuring fair value are categorized into three levels. Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and liabilities and have the highest priority. Level 2 is based upon observable inputs other than quoted market prices, and Level 3 is based on unobservable inputs.

The Foundation recognizes transfers between levels in the fair value hierarchy at the end of the reporting period.

In general, and where applicable, the Foundation uses quoted prices in active markets for identical assets to determine fair value. This pricing methodology applies to Level 1 investments. When quoted market prices for similar assets are available in markets that are not active, securities are classified within Level 2 of the valuation hierarchy. Level 2 includes fixed income securities and mutual funds.

## The Arca Foundation

### Notes to Financial Statements December 31, 2016 and 2015

#### 5. Fair Value Measurements (continued)

The following table presents the Foundation's fair value hierarchy for those investments measured on a recurring basis at December 31, 2016:

	Level 1	Level 2	Level 3	Total
Cash and money market funds	\$ 2,850,069	\$ -	\$ -	\$ 2,850,069
Fixed income:				
US Treasury bonds and notes	-	253,686	-	253,686
Municipal bonds	-	710,155	-	710,155
Mutual funds	-	11,092,348	-	11,092,348
Equities:				
Stocks:				
Industrials	1,250,023	-	-	1,250,023
Consumer discretionary	592,038	-	-	592,038
Consumer staples	1,010,706	-	-	1,010,706
Financial	1,796,840	-	-	1,796,840
Materials	410,931	-	-	410,931
Information technology	1,581,866	-	-	1,581,866
Utilities	338,543	-	-	338,543
Health care	1,757,679	-	-	1,757,679
Telecommunication services	577,009	-	-	577,009
Real estate	88,374	-	-	88,374
Services	582,539	-	-	582,539
ETF	15,644,768	-	-	15,644,768
Long-short mutual funds	-	2,854,449	-	2,854,449
Alternative mutual funds	-	7,275,845	-	7,275,845
Total investments	\$ 28,481,385	\$ 22,186,483	\$ -	\$ 50,667,868

## The Arca Foundation

### Notes to Financial Statements December 31, 2016 and 2015

#### 5. Fair Value Measurements (continued)

The following table presents the Foundation's fair value hierarchy for those investments measured on a recurring basis at December 31, 2015:

	Level 1	Level 2	Level 3	Total
Cash and money market funds	\$ 4,082,278	\$ -	\$ -	\$ 4,082,278
Fixed income:				
Corporate bonds	-	1,710,268	-	1,710,268
US Treasury bonds and notes	-	2,019,537	-	2,019,537
Agency bonds	-	1,583,253	-	1,583,253
Mutual funds	-	5,781,367	-	5,781,367
Mortgages	-	2,702	-	2,702
Asset-backed	-	392,633	-	392,633
Equities:				
Stocks:				
Industrials	630,956	-	-	630,956
Consumer discretionary	596,452	-	-	596,452
Consumer staples	332,805	-	-	332,805
Energy	257,252	-	-	257,252
Financial	1,846,066	-	-	1,846,066
Materials	95,085	-	-	95,085
Information technology	871,809	-	-	871,809
Utilities	135,992	-	-	135,992
Health care	477,728	-	-	477,728
Telecommunication services	153,939	-	-	153,939
Other	50,754	-	-	50,754
ETF	16,892,966	-	-	16,892,966
Long-short mutual funds	-	5,625,568	-	5,625,568
Alternative mutual funds	-	6,914,402	-	6,914,402
Total investments	\$ 26,424,082	\$ 24,029,730	\$ -	\$ 50,453,812

## The Arca Foundation

### Notes to Financial Statements December 31, 2016 and 2015

#### 6. Property and Equipment

Property and equipment consists of the following at December 31:

	<u>2016</u>	<u>2015</u>
Building improvements	\$ 1,274,423	\$ 1,274,423
Building	656,250	656,250
Land	218,750	218,750
Furniture and equipment	136,800	136,800
Software	<u>17,051</u>	<u>10,526</u>
Total property and equipment	2,303,274	2,296,749
Less: accumulated depreciation	<u>(879,081)</u>	<u>(825,314)</u>
Property and equipment, net	<u><u>\$ 1,424,193</u></u>	<u><u>\$ 1,471,435</u></u>

#### 7. Subleases

The Foundation subleases space in its building located in Washington, D.C. to two subtenants under operating leases through 2018. Both subleases require fixed monthly rental payments over the terms of the subleases.

Future minimum lease receipts under the subleases are as follows for the years ending December 31:

2017	\$ 42,400
2018	<u>2,000</u>
Total future minimum lease receipts	<u><u>\$ 44,400</u></u>

#### 8. Related Party Transactions

Certain Board members of the Foundation are also trustees, directors, or officers of other 501(c)(3) organizations to which the Foundation has awarded grants and may award in the future. In these circumstances, the Foundation awards grants pursuant to the Foundation's conflict of interest policy and federal tax law prohibiting self-dealing.

## The Arca Foundation

### Notes to Financial Statements December 31, 2016 and 2015

#### 8. Related Party Transactions (continued)

During the years ended December 31, 2016 and 2015, the Foundation made grant disbursements of \$515,968 and \$345,000, respectively, to organizations that have common Board members with the Foundation, as follows:

	2016	2015
The Albert Einstein Institution, Inc.	\$ 65,000	\$ 35,000
Brenn Foundation	16,968	13,940
Center for International Policy	75,000	59,500
Center for Working Families	-	100,000
Center for Media and Democracy	50,000	-
Courage Campaign Institute	25,000	-
Demos: A Network for Ideas & Action	-	50,000
Friends of the Earth	50,000	50,000
Institute for America's Future	25,000	50,000
International Labor Rights Forum	30,000	-
The Nation Institute	4,000	-
NEO Philanthropy, Inc.	15,000	65,000
ProgressiveCongress.org	30,000	25,000
The American Prospect	30,000	25,000
Tides Foundation	100,000	-
Waging Nonviolence	-	15,000
Total related party transactions	<u>\$ 515,968</u>	<u>\$ 488,440</u>

In addition, the Foundation received a contribution/pledge from a relative of the President and Vice President of the Foundation's Board of Directors in the amount of \$40,000 and \$25,000 in 2016 and 2015, respectively. The Foundation maintains an active list of disqualified people, and assures that steps are taken by the Board to ensure that transactions with disqualified people are appropriate, and do not violate the prohibitions of self-dealing.

## The Arca Foundation

### Notes to Financial Statements December 31, 2016 and 2015

#### 9. Functional Expenses

The Foundation's operating expenses have been allocated between grants management and administrative management. The allocations are based on estimates made by management of time spent by employees on various activities. The following is a breakdown of the Foundation's functional expenses for the years ended December 31:

	<u>2016</u>	<u>2015</u>
Program services:		
Grant awards, net of cancellations	\$ 2,830,218	\$ 2,837,940
Grants management	<u>388,324</u>	<u>212,265</u>
Total program services	<u>3,218,542</u>	<u>3,050,205</u>
Administrative management	<u>266,199</u>	<u>427,493</u>
Total expenses	<u>\$ 3,484,741</u>	<u>\$ 3,477,698</u>

*Program Services:* The Foundation's general purpose is to support not-for-profit organizations within the United States whose work encourages a more open foreign policy based on respect for international law, human rights, and the sovereignty of all nations. The Foundation also supports projects concerned with domestic social changes.

*Administrative Management:* This supporting service category includes the functions necessary to secure proper administrative functioning of the Foundation, maintain an adequate work environment, and manage the financial responsibilities of the Foundation.

#### 10. Employee Benefits

The Foundation maintains a defined contribution pension plan ("the Plan") in accordance with Section 403(b) of the Internal Revenue Code (IRC). The Foundation contributes 5% of each eligible employee's annual compensation to the Plan. Foundation employees may also contribute to the Plan. Employees are vested after one year of employment. The amount of employer pension expense was \$11,584 and \$9,735 for the years ended December 31, 2016 and 2015, respectively. The Plan is administered by Nationwide.

## The Arca Foundation

### Notes to Financial Statements December 31, 2016 and 2015

#### 11. Federal Taxes and Distribution Requirements

The Foundation is exempt from federal income taxes under IRC Section 501(c)(3), and is classified as a private foundation under IRC Section 509(a). However, as a private foundation, the Foundation is subject to federal excise tax of 1% or 2 % on net investment income. The federal excise tax expense was based on a 1% rate for both 2016 and 2015. Federal excise tax liability at December 31, 2016 and 2015 represents deferred excise taxes of \$72,922 and \$53,622, respectively, arising from unrealized appreciation on investments. The deferred federal excise taxes were calculated based on a 1% rate in both 2016 and 2015. The deferred portion of excise tax expense will only be paid when the unrealized gains become realized.

Federal excise tax expense consists of the following for the years ended December 31:

	2016	2015
Current	\$ 16,480	\$ 39,358
Change in deferred	<u>19,300</u>	<u>(104,410)</u>
Total federal excise tax expense (benefit)	<u>\$ 35,780</u>	<u>\$ (65,052)</u>

The IRC requires private foundations to annually distribute approximately 5% of the average fair value of its investment assets, less the federal excise tax. At December 31, 2016 and 2015, the Foundation met the distribution requirement.

The Foundation believes that it has appropriate support for the excise tax and does not have any uncertain tax positions that result in a material impact on the Foundation's statements of financial position or statements of activities.

## **SUPPLEMENTARY INFORMATION**

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**The Arca Foundation**  
**Schedule of Investments**  
**For the Year Ended December 31, 2016**

<b>Principal/ Shares</b>	<b>Investment Security</b>	<b>Fair Value</b>	<b>Cost</b>
651,049	<b>Cash</b>	<u>\$ 651,049</u>	<u>\$ 651,049</u>
	<b>Cash Equivalents</b>		
1,790,080	Fidelity Money Market Institutional Class FD#057 PNC	1,790,081	1,790,081
302,462	Fidelity Money Market Institutional Class FD#057 Delaware Capital Management	302,462	302,462
106,477	Fidelity Money Market Institutional Class FD#057 Neuberger Berman	<u>106,477</u>	<u>106,477</u>
	Total Short-Term Investments	<u>2,199,020</u>	<u>2,199,020</u>
	Total Cash and Cash Equivalents	<u>2,850,069</u>	<u>2,850,069</u>
	<b>US Treasury Bonds and Notes</b>		
40,000	USA Treasury Notes 1.000% March 31, 2017	40,050	40,034
40,000	USA Treasury Notes 1.250% April 30, 2019	39,976	40,231
20,000	USA Treasury Notes 2.000% November 15, 2021	20,055	20,866
40,000	USA Treasury Notes 1.625% August 15, 2022	39,009	40,965
40,000	USA Treasury Notes 1.750% May 15, 2023	38,959	41,242
35,000	USA Treasury Notes 2.750% February 15, 2024	36,148	38,143
40,000	USA Treasury Notes 2.250% November 15, 2025	<u>39,489</u>	<u>42,629</u>
	Total US Treasury Bonds and Notes	<u>253,686</u>	<u>264,110</u>
	<b>Municipal Bonds</b>		
40,000	University N C Charlotte Rev Gen	40,067	40,080
40,000	California St For Previous Issues See	40,060	40,060
40,000	Massachusetts St Go Bds Ser.G	40,011	39,984
40,000	New York N Y City Transitional Fin	40,262	40,254
40,000	Mountain View-Whisman Calif	40,300	40,664
40,000	New York N Y G O Bds Ser 2011 C-2	41,362	41,545
35,000	Arizona St Transn Brd Hwy Rev Sub Hwy	36,160	36,382
40,000	New Mexico St Severance Tax	40,088	40,744
40,000	Frisco Tex Combi Tax And Ltld Surplus	39,214	40,009
45,000	University Calif Revs For Previous	45,088	45,708
40,000	Calleguas Calif Mun Wtr Dist Wtr Rev Rev	40,154	41,297
45,000	Hawaii St Go Bds Ser.Eq	45,366	46,134
25,000	Chaffey Calif Un High Sch Dist Go Ref	25,984	26,526
40,000	Michigan St Strategic Fd Ltd	38,863	39,015
40,000	Lubbock Tex Go Ref Bds Ser. 7/7/1905	39,344	40,525
40,000	Oklahoma Dev Fin Auth Lease Re V For	<u>39,237</u>	<u>40,009</u>

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**The Arca Foundation**

Schedule of Investments (continued)  
For the Year Ended December 31, 2016

<b>Principal/ Shares</b>	<b>Investment Security</b>	<b>Fair Value</b>	<b>Cost</b>
40,000	Indiana St Fin Auth Rev Rev Bds	38,258	40,010
40,000	Port Auth N Y & N J Consolidated Bds	40,337	42,764
	<b>Total Municipal Bonds</b>	<b>710,155</b>	<b>721,710</b>
	<b>Mutual Funds</b>		
55,594	Community Capital Trust Fund (CRANX)	588,634	608,652
421,727	Metropolitan West Unconstrained Bond Fund I (MWCIX)	4,980,601	5,000,000
299,302	T Rowe Price Institutional Floating Rate Fund PNC (RPIFX)	3,016,963	3,000,000
22,145	Ishares TIPS Bond (TIP)	2,506,150	2,508,573
	<b>Total Mutual Funds</b>	<b>11,092,348</b>	<b>11,117,225</b>
	<b>Equities</b>		
	<b>Materials</b>		
8	Adient Plc Com(ADNT)	469	364
44	Air Products & Chem (APD)	6,328	5,733
23	Albemarle Corp (ALB)	1,980	1,838
17	Ashland Global Hldgs Inc Com(ASH)	1,858	1,938
164	Atwood Oceanics Inc Com (ATW)	2,153	1,690
660	Axa Ads-Each Rep 1 Ord Eur2.29(AXAHY)	16,697	16,429
91	Axalta Coating Systems Ltd Com (AXTA)	2,475	2,548
193	Baker Hughes Inc (BHI)	12,539	8,868
150	Bristow Group Inc Com (BRS)	3,072	1,904
38	Cabot Corp Com (CBT)	1,921	1,767
123	Carbo Ceramics Inc (CRR)	1,287	1,671
60	CF Inds Hldgs Inc Com(CF)	1,889	1,670
139	Commercial Metals Co (CMC)	3,027	2,331
37	Compass Minerals Intl Inc (CMP)	2,899	2,894
155	Dow Chemical Co (DOW)	8,869	8,157
2,179	Dupont E I De Nemours & Co (DD)	159,939	147,230
480	Ensco Plc Com Usd0.10 A (ESV)	4,666	4,050
58	Fmc Corp New(FMC)	3,280	2,833
174	Fmc Technologies Inc(FTI)	6,182	4,678
137	Forum Energy Technologies Inc Com (FET)	3,014	2,334
22	Grace W R & Co Del New(GRA)	1,488	1,717
144	Huntsman Corp(HUN)	2,748	2,265
47	Innophos Holdings Inc Com (IPHS)	2,456	1,889
14	Intl Flavors & Fragrances Inc (IFF)	1,650	1,807
85	Lyondellbasell Industries N V Com (LYB)	7,291	6,821
78	Minerals Tech Inc (MTX)	6,026	4,621
71	Mosaic Co New Com(MOS)	2,082	1,827
228	Mrc Global Inc Com (MRC)	4,619	3,369
183	National Oilwell Varco Inc (Nov) Total(NOV)	6,852	6,127
59	Newmont Mng Corp Hldg Co (NEM)	2,010	1,880
2,482	Novozymes A/S Unsp Adr Each Rep 1 Er B Kk10 (NVZMY)	85,658	83,464
112	Oceaneering Intl Inc(OII)	3,160	3,733
103	Oil Sts Intl Inc (OIS)	4,017	3,375

(continued on next page)

**The Arca Foundation**

Schedule of Investments (continued)  
For the Year Ended December 31, 2016

<b>Principal/ Shares</b>	<b>Investment Security</b>	<b>Fair Value</b>	<b>Cost</b>
281	Patterson Utli Energy Inc (PTEN)	7,565	5,331
54	Polyone Corp (POL)	1,730	1,994
39	Praxair Inc(PX)	4,570	4,315
38	Reliance Steel And Aluminum Co (RS)	3,023	2,916
21	Royal Gold Inc Com (RGLD)	1,330	1,765
34	Rpm Intl Inc Formerly Rpm Inc(RPM)	1,830	1,713
11	Sherwin Williams Co(SHW)	2,956	3,203
101	Steel Dynamics Inc Com(STLD)	3,594	2,551
331	Tetra Technologies Inc(TTI)	1,662	1,763
41	U S Silica Hldgs Inc Com (SLCA)	2,324	1,174
25	Valspar Corp Com (VAL)	2,590	2,704
22	Versum Matls Inc Com (VSM)	618	571
509	Weatherford Intl Plc Ord Shs (WFT)	2,538	2,810
	<b>Total Materials</b>	<b>410,931</b>	<b>376,632</b>
	<b>Consumer Discretionary</b>		
492	Apple Inc (AAPL)	56,983	48,255
11	Avery Dennison Corp (AVY)	772	841
110	Bemis Company Inc (BMS)	5,260	5,577
211	Borgwarner Inc (BWA)	8,322	7,309
17	Clorox Co Del (CLX)	2,040	2,274
95	Ecolab Inc(ECL)	11,136	11,338
20	Estee Lauder Companies Inc Cl A(EI)	1,530	1,837
610	Ford Mtr Co Del Com (F)	7,399	8,113
29	Fortune Brands Home & Security Inc (FBHS)	1,550	1,707
62	General Mills Inc (GIS)	3,830	3,887
218	General Mtrs Co Com (GM)	7,595	6,619
23	Hershey Co (HSY)	2,379	2,125
268	Johnson Controls International Plc (JCI)	11,039	12,200
16	Lamb Weston Hldgs Inc Com(LW)	606	493
120	Mccormick &Co Inc Com Non Vtg(MKC)	11,200	12,065
28	Mead Johnson Nutrition Co Com (MJN)	1,981	2,327
171	Mondelez Intl Inc Com (MDLZ)	7,580	7,604
120	Nike Inc (NKE)	6,100	6,687
55	Paccar Inc(PCAR)	3,515	3,047
184	Sealed Air Corp (SEE)	8,342	8,474
8	Tesla Motors Inc Com (TSLA)	1,710	1,788
1456	Delphi Automotive PLC (DLPH)	98,062	99,198
1159	Gildan Activewear Inc (GIL)	29,404	33,180
2109	Lowes Company Inc (LOW)	149,992	159,163
3298	Newell Brands, Inc (NWL)	147,256	133,062
121	V F Corp (VFC)	6,455	7,534
	<b>Total Consumer Discretionary</b>	<b>592,038</b>	<b>586,704</b>
	<b>Consumer Staples</b>		
3333	Archer Daniels Midland Co (ADM)	152,151	143,505

(continued on next page)

**The Arca Foundation**

Schedule of Investments (continued)  
For the Year Ended December 31, 2016

Principal/ Shares	Investment Security	Fair Value	Cost
34	Campbell Soup Co Com (CPB)	2,056	2,071
468	Coca Cola Co (KO)	19,403	20,823
42	Coca-Cola European Partners Plc Ord (CCE)	1,319	1,622
470	Colgate-Palmolive Co(CL)	30,757	33,010
48	Conagra Brands Inc (CAG)	1,898	1,673
1929	CVS Health Corporation (CVS)	152,217	170,411
30	Dr Pepper Snapple Group Inc. (DPS)	2,720	2,757
39	Kellogg Company (K)	2,875	2,895
55	Kimberly-Clark Corp. (KMB)	6,277	7,174
1,810	Kraft Heinz Co/The (KHC)	158,049	152,950
2,549	Kroger Co. (KR)	87,966	77,863
3333	Mondelez International (MDLZ)	147,752	146,556
356	Pepsico Inc (PEP)	37,248	36,527
372	Procter And Gamble Co Com (PG)	31,278	30,692
54	Smucker J M Co Com (SJM)	6,915	7,066
683	Unilever Plc Spon Adr(UL)	27,798	28,593
3,459	Unilever NV New York Shares New (UN)	142,027	147,693
	<b>Total Consumer Staples</b>	<b>1,010,706</b>	<b>1,013,881</b>
	<b>Financial</b>		
114	Acadia Realty (AKR)	3,726	4,173
208	Aflac Inc (AFL)	14,477	14,522
2051	Allstate Corp (ALL)	152,020	139,413
1352	American Express Co (AXP)	100,156	93,055
59	American Tower Corporation (AMT)	6,235	6,327
30	Ameriprise Finl Inc Com (AMP)	3,328	3,038
22	Aon Plc Com Cl A (AON)	2,454	2,367
52	Arch Capital Group Com (ACGL)	4,487	4,378
387	Ashford Hospitality Tr Inc Com (AHT)	3,003	2,096
42	Avalonbay Cmmtys Inc (AVB)	7,440	7,167
3010	Bank New York Mellon Corp Com (BK)	142,614	125,394
3256	BB&T Corp (BBT)	153,097	121,162
15	Boston Properties Inc (BXP)	1,887	1,873
59	Capital One Financial Corp (COF)	5,147	4,333
116	Central Pac Finl Corp Com New (CPF)	3,645	2,766
65	Chubb Limited Com (CB)	8,588	8,206
49	Cincinnati Finl Corp (CINF)	3,712	3,459
236	Citizens Finl Group Inc Com (CFG)	8,409	5,042
72	CME Group Inc (CME)	8,305	6,866
87	Comerica Inc (CMA)	5,926	3,693
1700	Communication Sales&Leas Inc (CSALV)	43,197	41,921
33	Cullen Frost Bankers Inc (CFR)	2,912	2,115
181	Cyrusone Com (CONE)	8,096	9,304
24	Digital Rlty Tr Inc (DLR)	2,358	2,510
53	Discover Finl Svcs (DFS)	3,821	2,998
86	Duke Realty Corp Com (DRE)	2,284	2,178
63	E Trade Finl Corp Com New (ETFC)	2,183	1,750

(continued on next page)

**The Arca Foundation**

Schedule of Investments (continued)  
For the Year Ended December 31, 2016

Principal/ Shares	Investment Security	Fair Value	Cost
258	East West Bancorp Inc (EWBC)	13,114	9,803
68	Eaton Vance Corp Com Non Vtg (EV)	2,848	2,477
14	Equifax Inc (EFX)	1,655	1,766
30	Equity (EQR)	1,931	2,052
37	Federal Realty Invst Tr Sh Ben (FRT)	5,258	5,728
288	Fifth Third Bancorp (FITB)	7,767	5,342
153	First Horizon Natl Corp (FHN)	3,062	2,087
92	First Rep Bk San Francisco Cal Com (FRC)	8,477	6,516
75	Franklin Res Inc Com (BEN)	2,969	2,798
69	General Growth Pptys Inc (GGP)	1,724	1,860
571	Genworth Finl Inc Com Cl A (GNW)	2,176	1,842
2200	Hannon Armstrong Sustainable (HASI)	41,778	44,860
110	Hartford Finl Svcs Group Inc (HIG)	5,242	4,902
446	Hcp Inc (HCP)	13,255	14,793
93	Home Bancshares Inc Com (HOMB)	2,583	1,924
175	Host Hotels & Resorts (HST)	3,297	2,948
19	Howard Hughes Corp Com (HHC)	2,168	2,186
424	Huntington Bancshares Inc Com (HBAN)	5,605	3,908
2045	Intercontinental Exchange-W/I (ICE)	115,379	94,305
88	Invesco Ltd Shs (IVZ)	2,670	2,775
15	Jones Lang Lasalle Inc (JLL)	1,516	1,752
1134	Keycorp New (KEY)	20,718	13,631
51	Legg Mason (LM)	1,525	1,740
49	Lincoln National Corp Ind (LNC)	3,247	2,255
359	Loews Corp (L)	16,812	14,428
71	LPL Finl Hldgs Inc Com (LPLA)	2,500	1,770
30	M & T Bank Corp (MTB)	4,693	3,523
2075	Marsh & McLennan (MMC)	140,249	137,869
65	Marsh & McLennan Cos (MMC)	4,393	4,316
770	Mastercard Inc CL A (MA)	79,503	69,053
147	Mastercard Incorporated Cl A (MA)	15,178	14,147
219	Metlife Inc Com (MET)	11,802	9,616
29	Nasdaq Inc Com (NDAQ)	1,946	1,828
129	Navient Corp Com (NAVI)	2,119	1,731
385	New York Mtg Tr Inc (NYMT)	2,541	2,389
231	Nmi Hldgs Inc Cl A (NMIH)	2,460	1,815
78	Northern Tr Corp (NTRS)	6,946	5,559
73	Opus Bk Redondo Beach Calif (OPB)	2,194	2,632
338	Paypal Hldgs Inc Com (PYPL)	13,341	12,735
213	Price T Rowe Group Inc Com (TROW)	16,030	16,182
94	Principal Financial Group (PFG)	5,439	4,133
4894	Progressive Corp Ohio (PGR)	173,737	140,249
139	Progressive Corp Ohio(PGR)	4,935	4,514
119	Prologis Inc (PLD)	6,282	5,815
123	Prudential Finl Inc (PRU)	12,799	9,392
19	Public Storage (PSA)	4,247	4,562
10	Quality Care Pptys Inc (QCP)	155	149
172	Quanta Services Inc Ltd Vote Com (PWR)	5,994	4,114

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**The Arca Foundation**

Schedule of Investments (continued)  
For the Year Ended December 31, 2016

Principal/ Shares	Investment Security	Fair Value	Cost
32	Raymond James Financial Inc Com (RJF)	2,217	1,767
526	Regions Finl Corp (RF)	7,553	4,925
66	Reinsurance Group Amer Inc Com (RGA)	8,305	6,527
38	Renaissancere Holdings Ltd Com (RNR)	5,176	5,032
227	Schwab Charles Corp (SCHW)	8,960	6,680
42	Sei Investments Co Com (SEIC)	2,073	2,080
103	Senior Housing Prop (SNH)	1,950	2,036
37	Simon Ppty Grp (SPG)	6,574	7,461
17	Sl Green Rlty Corp (SLG)	1,828	1,707
67	Southside Bancshares Inc (SBSI)	2,524	2,034
47	St Jude Medical Inc (STJ)	3,769	3,660
146	Stifel Finl Corp (SF)	7,293	5,609
140	Suntrust Banks Inc (STI)	7,679	5,930
65	Svb Finl Group (SIVB)	11,158	6,924
77	Synchrony Financial Com (SYF)	2,793	2,386
189	TCF Financial Corp (TCB)	3,703	2,471
221	Toronto-Dominion Bank Com (TD)	10,904	9,918
34	Total Sys Svcs Inc (TSS)	1,667	1,783
53	Travelers Companies Inc Com (TC)	6,488	5,973
133	Umpqua Holdings Corp (UMPQ)	2,498	2,103
128	Unum Group (UNM)	5,623	4,417
2397	Us Bancorp Del Com (USB)	123,134	100,431
52	Ventas (VTR)	3,251	3,505
431	Visa Inc Com Cl A (V)	33,623	34,667
19	Vornado Rlty (VNO)	1,983	1,806
65	Voya Finl Inc Com (VOYA)	2,549	2,155
61	Welltower Inc (HCN)	4,083	4,320
50	XL Group Ltd Com (XL)	1,863	1,721
136	Zions Bancorp (ZION)	5,853	3,660
	<b>Total Financial</b>	<b>1,796,840</b>	<b>1,572,565</b>
	<b>Health Care</b>		
3,749	Abbott Laboratories Inc. (ABT)	143,999	163,782
183	Abbvie Inc Com(ABBV)	11,459	11,496
66	Aetna Inc New Com(AET)	8,185	7,741
42	Agilent Tech Inc (A)	1,914	1,922
22	Align Technology Inc Com (ALGN)	2,115	1,769
39	Allergan Plc. Com(AGN)	8,190	9,064
1,542	Amerisourcebergen Corp (ABC)	120,569	119,135
86	Amgen Inc (AMGN)	12,574	13,208
21	Anthem Inc Com (ANTM)	3,019	2,743
112	Ariad Pharmaceutical Inc(ARIA)	1,393	813
13	Bard C R Inc (BCR)	2,921	2,969
93	Baxter Intl Inc (BAX)	4,124	4,175
840	Becton Dickinson & Co. (BDX)	139,062	120,462
31	Biogen Inc Com (BIIB)	8,791	7,929
20	Biomarin Pharmaceutical Inc(BMRN)	1,657	1,760

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**The Arca Foundation**

Schedule of Investments (continued)  
For the Year Ended December 31, 2016

Principal/ Shares	Investment Security	Fair Value	Cost
208	Boston Scientific Corp (BSX)	4,499	4,711
183	Bristol Myers Squibb (BMY)	10,695	13,120
2,000	Cardinal Health Inc (CAH)	143,940	154,083
176	Celgene Corp (CELG)	20,372	18,952
103	Cigna Corporation Com (CI)	13,739	13,275
284	CVS Health Corp Com (CVS)	22,410	27,327
23	Davita Inc Com (DVA)	1,477	1,752
128	Dentsply Sirona Inc Com (XRAY)	7,389	8,041
30	Edwards Lifesciences Corp(EW)	2,811	2,945
1,925	Express Scripts HLDG CO (ESRX)	132,421	142,599
60	Five Prime Therapeutics Inc Com (FPRX)	3,007	2,501
33	Hca Hldgs Inc Com (HCA)	2,443	2,555
213	Hologic Inc (HOLX)	8,546	7,373
12	Humana Inc(HUM)	2,448	2,077
27	Idexx Labs Corp (IDXX)	3,166	2,430
36	Illumina Inc Com (ILMN)	4,609	4,839
6	Intuitive Surgical Inc Com New (ISRG)	3,805	3,901
1,300	Johnson & Johnson (JNJ)	149,773	149,210
14	Laboratory Corp Amer Hldgs Com New (LH)	1,797	1,794
132	Lilly Eli &Co Com (LLY)	9,709	9,760
30	Mallinckrodt Plc Ordinary Usd(MNK)	1,495	1,704
51	Medicines Co Com(MDCO)	1,731	1,697
1,313	Medtronic PLC (MDT)	93,525	105,540
2,772	Merch & Co Inc (MRK)	163,188	162,605
62	Mylan N V Shs Euro (MYL)	2,365	2,807
135	Novartis A G Sponsored Adr (NVS)	9,833	10,985
381	Novo-Nordisk A S Adr(NVO)	13,663	20,049
182	Opko Health Inc(OPK)	1,693	1,710
611	Pdl Biopharma Inc Com (PDLI)	1,295	1,849
18	Perrigo Co Plc Shs (PRGO)	1,498	1,743
4,471	Pfizer Inc. (PFE)	145,218	151,579
1760	Quest Diagnostics Inc (DGX)	161,744	140,848
37	Quintiles Ims Holdings Inc Com (Q)	2,814	2,362
13	Regeneron Pharmaceuticals (REGN)	4,772	4,882
2,858	Roche Holding LTD Sponsored ADR (RHHBY)	81,539	91,572
58	Seattle Genetics Inc(SGEN)	3,060	2,269
48	Stryker Corp(SYK)	5,751	5,485
49	Thermo Fisher Scientific Inc (TMO)	6,914	7,395
100	Unitedhealth Group (UNH)	16,004	13,542
13	Universal Health Svcs Inc Cl B (UI)	1,383	1,753
41	Vertex Pharmaceuticals Inc (VRTX)	3,020	3,521
13	Waters Corp(WAT)	1,747	1,783
97	Zimmer Biomet Hldgs Inc Com (ZBH)	10,010	11,368
82	Zoetis Inc Com (ZU)	4,389	3,876
	Total Health Care	1,757,679	1,795,137

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**The Arca Foundation**

Schedule of Investments (continued)  
For the Year Ended December 31, 2016

Principal/ Shares	Investment Security	Fair Value	Cost
	<b>Industrials</b>		
447	3M Company (MMM)	79,821	66,509
112	Aar Corp Com (AIR)	3,702	2,575
108	Aegion Corp Com (AEGN)	2,560	2,077
65	Aerovironment Inc Com (AVAV)	1,744	1,956
44	Ametek Inc New (AME)	2,138	2,105
63	Astronics Corp(ATRO)	2,131	1,881
100	B/E Aerospace Inc Com (BEAV)	6,019	4,894
65	Caterpillar Inc (CAT)	6,028	4,653
206	Covanta Hldg Corp Com (CVA)	3,214	3,412
22	Cummins Inc (CMI)	3,007	2,486
56	D R Horton Inc Com (DHI)	1,530	1,715
1509	Danaher Corp (DHR)	117,461	99,323
36	Deere & Company(DE)	3,709	2,885
102	Digitalglobe Inc Com New (DGI)	2,922	2,069
91	Dover Corp (DOV)	6,819	6,318
191	Eaton Corp Plc Com (ETN)	12,814	12,045
74	Emerson Electric Co (EMR)	4,126	3,853
92	Empire Dist Elec Co(EDE)	3,136	3,140
45	Flowserve Corp (FLS)	2,162	2,232
1009	General Electric Co (GE)	31,884	30,698
577	Grainger W W Inc. (GWW)	134,008	136,041
121	Hexcel Corp Com New (HXL)	6,224	5,295
916	Hunt JB Transport Services Inc. (JBHT)	88,916	71,566
63	Illinois Tool Works (ITW)	7,715	6,635
36	Ingersoll-Rand Plc Shs (IR)	2,701	2,388
197	Interface Inc Com(TILE)	3,654	3,401
103	KLX Inc Com (KLXI)	4,646	3,405
779	Manpower Group Inc. (MAN)	69,230	55,209
9	Martin Marietta Matls Inc (MLM)	1,994	1,722
122	Masco Corp (MAS)	3,858	3,890
49	Middleby Corp (MIDD)	6,312	6,153
586	Northrop Grumman Corporation (NOC)	136,292	125,221
24	Parker Hannifin Corp (PH)	3,360	2,732
35	Pentair Plc Shs (PNR)	1,962	2,117
151	Pultegroup Inc Formerly Pulte Corp (PHM)	2,775	2,854
989	Raytheon Company (RTN)	140,438	131,613
1636	Robert Half International Inc. (RHI)	79,804	64,665
23	Rockwell Automation Inc(ROK)	3,091	2,673
17	Roper Technologies Inc (ROP)	3,114	2,923
1027	Ryanair HLDGS PLC (RYAAY)	85,508	60,693
12	Snap On Inc (SNA)	2,055	1,947
25	Stanley Black & Decker Inc Com(SWK)	2,867	2,821
60	Triumph Group Inc (TGI)	1,590	2,345
34	Vulcan Materials Co(VMC)	4,255	3,975
2095	Waste Management Inc (WM)	148,556	129,155
165	Xylem Inc Com (XYL)	8,171	7,492
	<b>Total Industrials</b>	<b>1,250,023</b>	<b>1,095,757</b>

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**The Arca Foundation**

Schedule of Investments (continued)  
For the Year Ended December 31, 2016

Principal/ Shares	Investment Security	Fair Value	Cost
	<b>Information Technology</b>		
82	Accenture Plc Cls A (ACN)	9,605	9,746
101	Activision Blizzard Inc Com (ATVI)	3,647	3,915
21	Acuity Brands Inc (AYI)	4,848	5,324
150	Adobe Sys Inc (ADBE)	15,443	14,763
224	Advanced Micro Devices Inc Com (AMD)	2,540	1,139
337	Alliance Data Systems Corp. (ADS)	77,005	73,878
187	Alphabet Inc Cap Stk Cl A (GOOGL)	148,188	141,043
26	Alphabet Inc Cap Stk Cl C (GOOG)	20,067	18,701
179	Analog Devices Inc Com (ADI)	12,999	10,322
58	Ansys Inc (ANSS)	5,364	5,143
203	Applied Materials Inc (AMAT)	6,551	4,909
30	Autodesk Inc Com (ADSK)	2,220	1,770
342	Automatic Data Processing Inc (ADP)	35,151	30,309
29	Broadridge Financial Solutions Llc (BR)	1,923	1,864
4,552	CA Inc (CA)	144,617	147,660
122	Cerner Corp (CERN)	5,779	6,755
5586	Cisco Sys Inc Com (CSCO)	168,809	165,125
28	Citrix Systems Inc (CTXS)	2,501	2,383
46	Cognizant Tech Solutions Corp (CTSH)	2,577	2,863
53	Crown Castle Intl Corp (CCI)	4,599	4,947
25	Dell Technologies Inc Com Cl V (DVMT)	1,374	1,180
14	Dun & Bradstreet Corp Del New (DNB)	1,698	1,766
3,622	Ebay Inc. (EBAY)	107,537	96,852
42	Electronic Arts (EA)	3,308	3,139
73	F5 Networks Inc Com (FFIV)	10,565	8,064
190	Facebook Inc Com (FB)	21,860	22,270
57	Fidelity National Information Services Inc (FIS)	4,311	4,192
383	First Solar Inc Com (FSLR)	12,290	19,217
41	Fortive Corp Com (FTV)	2,199	1,883
20	Gartner Inc Com (IT)	2,021	1,970
154	HP Inc Com (HPQ)	2,285	2,023
4876	Intel Corp (INTC)	176,853	159,989
99	Intl Business Mach (IBM)	16,433	15,114
1035	Intuit Com (INTU)	118,621	92,054
47	Iron Mountain Inc Com (IRM)	1,527	1,727
41	KLA-Tencor Corp Com (KLAC)	3,226	3,045
204	Maxim Integrated Prods Inc (MXIM)	10,530	10,462
144	Micron Technology (MU)	3,156	1,768
943	Microsoft Corp (MSFT)	58,598	48,826
1,912	Netscout System Inc. (NTCT)	60,228	56,018
77	Nielsen Hldgs Plc Formerly Nielsen (NLSN)	3,230	4,126
79	Nvidia Corp (NVDA)	8,432	3,676
130	Nxp Semiconductors N V (NXPI)	12,741	11,707
344	Oracle Corp Com (ORCL)	13,227	13,748
217	Owens Ill Inc Com New (OI)	3,778	4,344
58	Palo Alto Networks Inc Com (PANW)	7,253	8,116
172	Qualcomm Inc (QCOM)	11,214	9,395

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**The Arca Foundation**

Schedule of Investments (continued)  
For the Year Ended December 31, 2016

<b>Principal/ Shares</b>	<b>Investment Security</b>	<b>Fair Value</b>	<b>Cost</b>
174	Salesforce Com Inc(CRM)	11,913	14,364
81	Sba Communications Cprp Cl A(SBAC)	8,364	8,307
83	Symantec Corp(SYMC)	1,983	1,727
2,610	Texas Instruments Inc (TXN)	190,452	144,220
39	Western Digital Corp Del (WDC)	2,650	1,747
22	Workday Inc Cl A(WDAY)	1,454	1,661
179	Xerox Corp (XRX)	1,563	1,759
107	Xilinx Inc (XLNX)	6,460	5,044
106	Yahoo Inc (YHOO)	4,099	3,981
	<b>Total Information Technology</b>	<b>1,581,866</b>	<b>1,442,040</b>
	<b>Real Estate</b>		
2937	Weyerhaeuser Co (WY)	88,374	89,380
	<b>Total Real Estate</b>	<b>88,374</b>	<b>89,380</b>
	<b>Telecommunication Services</b>		
4782	AT&T Inc Com (T)	203,378	186,339
72	Centurylink Inc(CTL)	1,712	2,011
2047	Level 3 Communications Inc (LVL3)	115,369	93,821
419	Frontier Communications Corp (FTR)	1,416	2,145
41	T Mobile Us Inc Com (TMUS)	2,358	1,753
776	Motorola Solutions Inc (MSI)	64,323	57,328
3505	Verizon Communications(VZ)	187,097	176,986
185	Windstream Hldgs Inc Com (WIN)	1,356	1,677
	<b>Total Telecommunication Services</b>	<b>577,009</b>	<b>522,060</b>
	<b>Utilities</b>		
161	8Point3 Energy Partners LP CL A Rpt Ltdpt (CAFD)	2,090	2,425
246	American Wtr Wks Co Inc New Com (AWK)	17,801	18,546
120	Atmos Energy Corp(ATO)	8,898	8,995
54	California Water Svc Grp Hldg Co (CWT)	1,831	1,732
221	Calpine Corp Com New (CPN)	2,526	3,047
346	Centerpoint Energy Inc (CNP)	8,525	7,914
66	Connecticut Wtr Svc Inc (CTWS)	3,686	3,616
123	Dynegy Inc New Del Com (DYN)	1,041	1,963
2,086	Edison Intl (EIX)	150,171	147,284
1,348	Eversource Energy (ES)	74,450	65,949
92	Fortis Inc Com (FTS)	2,841	2,913
106	Hawaiian Elec Inds (HE)	3,505	3,503
57	Idacorp Inc(IDA)	4,591	4,191
46	MGE Energy Inc(MGEE)	3,004	2,489
49	New Jersey Res Com (NJR)	1,740	1,722
221	Nisource Inc (NI)	4,893	5,455
182	NRG Yield Inc Cl C(NYLD)	2,876	2,637
242	Oge Energy Corp Holding Co (OGE)	8,095	7,428

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**The Arca Foundation**

Schedule of Investments (continued)  
For the Year Ended December 31, 2016

Principal/ Shares	Investment Security	Fair Value	Cost
30	One Gas Inc Com (OGS)	1,919	1,772
154	Ormat Technologies Inc (ORA)	8,257	6,799
127	Portland Gen Elec Co Com (PC)	5,503	5,299
83	Sempra Energy (SRE)	8,353	8,859
40	Sjw Group Com (SJW)	2,239	1,870
35	Spire Inc Com (SR)	2,259	2,234
112	UGI Corp New Com(UGI)	5,161	4,887
30	WGL Hldgs Inc Com(WGL)	2,288	1,955
	<b>Total Utilities</b>	<b>338,543</b>	<b>325,484</b>
	<b>Services</b>		
25	Allegion Plc Com (ALLE)	1,600	1,696
9	Alliance Data Sys Corp(ADS)	2,057	1,803
34	Amazon Com Inc (AMZN)	25,496	24,231
66	American Airlines Group Inc Com(AAL)	3,082	1,974
24	Amerisourcebergen Corp(ABC)	1,877	1,774
256	C S X Corp (CSX)	9,198	6,738
34	Cardinal Health Inc (CAH)	2,447	2,651
32	Carmax Inc (KMX)	2,060	1,712
45	CBS Corp New Cl B (CBS)	2,863	2,460
21	Charter Communications Inc New Cl A (CHTR)	6,046	5,823
297	Comcast Corp New Cl A(CMCSA)	20,508	18,631
106	Costco Wholesale Corp(COST)	16,972	16,093
72	Delta Air Lines Inc Del Com New (DAL)	3,542	2,776
64	Discovery Communications Inc New Com Ser A (DISCA)	1,754	1,762
171	Disney Walt Co (DIS)	17,822	17,020
20	Dollar Gen Corp New Com (DG)	1,481	1,796
20	Dollar Tree Inc Com(DLTR)	1,544	1,778
19	Donnelley Finl Solutions Inc Com (DFIN)	437	492
53	Donnelley R R & Sons Co Com(RRD)	865	1,423
592	Ebay Inc (EBAY)	17,576	14,214
79	Engility Hldgs Inc New Com (EGL)	2,662	1,784
15	Expedia Inc Del Com New (EXPE)	1,699	1,680
43	Fastenal Co(FAST)	2,020	1,974
22	Fedex Corp Com (FDX)	4,096	3,611
18	Fiserv Inc (FISV)	1,913	1,887
31	Genesee And Wyoming Inc Inc Cl A (GWR)	2,152	1,987
46	Grainger W W Inc Com (GWW)	10,684	9,646
50	Hd Supply Hldgs Inc Com (HDS)	2,126	1,733
10	Henry Schein Inc(HSIC)	1,517	1,738
138	Hilton Worldwide Hldgs Inc Com(HLT)	3,754	3,159
181	Home Depot Inc Com(HD)	24,268	23,641
76	Hunt J B Trans Svcs Inc Com (JBHT)	7,377	6,246
73	Interpublic Group Cos Inc Del(IPG)	1,709	1,726
68	Kroger Co Com (KR)	2,347	2,411
31	L Brands Inc Com (LB)	2,041	2,124
79	Lowes Cos Inc Com (LOW)	5,618	6,282

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**The Arca Foundation**

Schedule of Investments (continued)  
For the Year Ended December 31, 2016

Principal/ Shares	Investment Security	Fair Value	Cost
19	Lsc Communications Inc Com \ (LKSD)	564	613
23	Manpowergroup Inc Com (MAN)	2,044	1,755
146	Marriott Intl Inc Cl A(MAR)	12,071	9,966
83	Mcdonalds Corp (MCD)	10,103	10,145
30	Mckesson Corp (MCK)	4,214	5,439
31	Mercadolibre Inc (MELI)	4,840	4,914
28	Moodys Corp (MCO)	2,640	2,757
54	Netflix Com Inc Com(NFLX)	6,685	5,161
70	Norfolk Southern Crp(NSC)	7,565	5,964
125	Omnicom Group(OMC)	10,639	10,811
37	Panera Bread Co Cl A (PNRA)	7,588	8,074
55	Paychex Inc Com(PAYX)	3,348	3,041
15	Priceline Group Inc Com (PCLN)	21,991	20,305
32	Ross Stores Inc Com (ROST)	2,099	1,742
31	S&P Global Inc Com (SPGI)	3,334	3,441
28	Scripps Networks Interactive Inc Cl A (SI)	1,998	1,776
822	Sirius Xm Hldgs Inc Com(SIRI)	3,658	3,251
52	Southwest Airlns Co (LUV)	2,592	2,082
450	Starbucks Corp Com (SBUX)	24,984	25,095
39	Sysco Corp (SYU)	2,159	1,890
399	Target Corp Com (TGT)	28,820	27,481
138	Time Inc New Com(TIME)	2,463	2,381
104	Time Warner Inc Com(TWX)	10,039	7,665
443	Tjx Cos Inc New Com (TJX)	33,281	33,741
200	Twenty-First Centy Fox Inc Cl A (FI)	5,608	5,785
133	Union Pacific Corp(UNP)	13,789	11,356
141	United Natural Foods Inc (UNFI)	6,729	5,495
307	United Parcel Svc Inc Cl B (UPS)	35,194	31,788
25	United Rentals Inc(URI)	2,640	1,707
62	Viacom Inc New Cl B (VIAB)	2,176	2,739
128	Wabtec Corp Com (WAB)	10,627	9,996
78	Walgreens Boots Alliance Inc Com(WBA)	6,455	6,159
157	Wal-Mart Stores Inc Com(WMT)	10,852	11,171
177	Whole Foods Mkt Inc (WFM)	5,445	6,214
27	Yum Brands Inc (YUM)	1,710	1,556
27	Yum China Hldgs Inc Com(YUMC)	705	671
1,834	Premier Inc.-Class A (PINC)	55,680	57,739
	Total Services	582,539	550,342
	Total Stocks	9,986,548	9,369,982
	<b>ETF</b>		
26,475	Ishares Core S&P 500 (IVV)	5,956,610	2,451,360
43,352	Ishares MSCI USA ESG Select (KLD)	3,896,808	3,520,614
32,318	Vanguard Mid Cap (VO)	4,254,018	2,569,857
11,921	Vanguard Small Cap (VB)	1,537,332	878,377
	Total ETF	15,644,768	9,420,208

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Schedule of Investments (continued)  
For the Year Ended December 31, 2016

<b>Principal/ Shares</b>	<b>Investment Security</b>	<b>Fair Value</b>	<b>Cost</b>
	<b>Long-Short Mutual Funds</b>		
61,123	AMG GW&K Small Cap Equity Fund (GWESX)	1,518,303	1,500,000
46,882	T Rowe Price Real Estate Fund (TRREX)	1,336,146	1,000,000
	<b>Total Long-Short Mutual Funds</b>	<b>2,854,449</b>	<b>2,500,000</b>
	<b>Total Equities</b>	<b>28,485,765</b>	<b>21,290,190</b>
	<b>Alternative Mutual Funds</b>		
73,484	Diamond Hill Long-Short Fund (DIAYX)	1,876,043	1,628,355
530,432	Driehaus Active Income Fund (LCMAX)	5,399,802	5,500,000
	<b>Total Alternative Mutual Funds</b>	<b>7,275,845</b>	<b>7,128,355</b>
	<b>Total Investments</b>	<b>\$ 50,667,868</b>	<b>\$ 43,371,659</b>

**The Arca Foundation**  
Schedule of Investments  
For the Year Ended December 31, 2015

Principal/ Shares	Investment Security	Fair Value	Cost
	<b>Cash</b>	\$ 178	\$ 178
	<b>Cash Equivalents</b>		
197,377	Fidelity Money Market Institutional Class FD#059 PNC	197,134	197,134
	<b>Total Short-Term Investments</b>	197,134	197,134
	<b>Mutual Funds-Money Market</b>		
	<b>Financial</b>		
3,665,102	Fidelity Money Market Institutional Class FD#059	3,665,102	3,665,102
96,187	Fidelity Money Market Institutional Class FD#059	96,187	96,187
45,849	Fidelity Money Market Institutional Class FD#059	45,849	45,849
54,458	Fidelity Money Market Institutional Class FD#059	54,458	54,458
23,370	Fidelity Money Market Institutional Class FD#059	23,370	23,370
	<b>Total Mutual Funds-Money Market</b>	3,884,966	3,884,966
	<b>Total Cash and Cash Equivalents</b>	4,082,278	4,082,278
	<b>US Treasury Bonds and Notes</b>		
25,000	USA Treasury Note 4.500% February 15, 2036	32,039	31,930
125,000	USA Treasury Notes 3 75% August 15, 2041	143,589	137,016
85,000	USA Treasury Note 3 125% August 15, 2044	86,869	86,455
100,000	USA Treasury Note 1.50% December 31, 2018	100,453	100,585
180,000	USA Treasury Note 0.250% February 29, 2016	179,986	179,993
425,000	USA Treasury Notes 0.375% March 31, 2016	425,017	425,146
10,000	USA Treasury Notes 02 375% August 15, 2024	10,104	10,107
160,000	USA Treasury Notes 2.250% November 15, 2024	159,918	159,351
90,000	USA Treasury Notes 0 250% January 15, 2025	86,344	86,520
90,000	USA Treasury Notes 3.000% September 30, 2016	91,480	91,756
15,000	USA Treasury Notes 2.6255% August 15, 2020	15,582	15,543
70,000	USA Treasury Notes 1.500% August 31, 2018	70,465	70,564
80,000	USA Treasury Notes 1.625% August 15, 2022	77,922	77,874
85,000	USA Treasury Notes 0 375% March 15, 2016	85,019	85,030

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**The Arca Foundation**

Schedule of Investments (continued)  
For the Year Ended December 31, 2015

Principal/ Shares	Investment Security	Fair Value	Cost
245,000	USA Treasury Notes 1.875% October 31, 2020	244,618	244,941
215,000	USA Treasury Notes 1.625% July 31, 2019	215,748	215,732
30,000	USA Treasury Notes 2.125% May 15, 2025	29,608	29,534
	Pending Sales	(35,224)	(35,224)
	Total US Treasury Bonds and Notes	2,019,537	2,012,853
	<b>Agency Bonds</b>		
28,781	Federal Home Loan Mortgage Corp (GP #G14801) 3.00% June 1, 2028	29,767	30,109
24,795	Federal Home Loan Mortgage Corp (GP #G08451) 4.50% June 1, 2024	26,783	26,759
88,961	Federal Home Loan Mortgage Corp (GP #G08601) 4.00% August 1, 2044	94,058	94,238
39,622	Federal Home Loan Mortgage Corp (GP #G18521) 3.50% August 1, 2029	41,462	41,933
35,174	Federal Home Loan Mortgage Corp (GP #C1725) 5.50% December 1, 2033	39,097	35,718
99,125	Federal Home Loan Mortgage Corp (GP #C04038) 3.50% June 1, 2042	102,164	103,684
44,205	Federal National Mortgage Assn (Pool #AH9719) 4.50% April 1, 2041	47,844	45,880
71,718	Federal National Mortgage Assn (Pool #AL0065) 4.50% March 1, 2041	77,612	77,828
60,176	Federal National Mortgage Assn (Pool #AL2484) 4.00% July 1, 2042	63,861	62,343
44,935	Federal National Mortgage Assn (Pool #AL2610) 2.50% November 1, 2027	45,660	45,280
42,064	Federal National Mortgage Assn (Pool AL2935) 3.50% February 1, 2043	43,603	42,978
24,937	Federal National Mortgage Assn (Pool AL3904) 3.50% January 1, 2028	26,163	26,172
53,368	Federal National Mortgage Assn (Pool AO7627) 3.00% June 1, 2027	55,273	55,959
65,373	Federal National Mortgage Assn (Pool AQ0945) 3.00% November 1, 2042	65,524	68,384
83,629	Federal National Mortgage Assn (Pool AP0495) 3.50% August 1, 2042	86,465	86,902
87,287	Federal National Mortgage Assn (Pool AS4992) 3.50% May 1, 2045	90,198	90,366
43,638	Federal National Mortgage Assn (Pool AS5385) 4.00% July 1, 2045	46,210	46,547
97,554	Federal National Mortgage Assn (Pool AT2016) 3.00% April 1, 2043	97,769	97,970

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Schedule of Investments (continued)  
For the Year Ended December 31, 2015

<b>Principal/ Shares</b>	<b>Investment Security</b>	<b>Fair Value</b>	<b>Cost</b>
45,343	Federal National Mortgage Assn (Pool AT2127) 3.00% April 1, 2043	45,441	45,480
43,062	Federal National Mortgage Assn (Pool AU3742) 3.50% August 1, 2043	44,519	44,601
15,136	Federal National Mortgage Assn (Pool #735646) 4.50% July 1, 2020	15,888	15,848
37,353	Federal National Mortgage Assn (Pool #932639) 5.00% March 1, 2040	41,461	39,082
28,134	Federal National Mortgage Assn (Pool #AA3423) 4.00% March 1, 2024	29,773	29,880
79,249	Federal National Mortgage Assn (Pool #AB2077) 4.00% January 1, 2041	84,468	78,240
71,572	Federal National Mortgage Assn (Pool #MA0912) 3.50% October 1, 2026	75,090	75,196
41,448	Federal National Mortgage Assn (Pool #AD6938) 4.50% June 1, 2040	45,382	42,518
42,936	Government National Mortgage Assn II (Pool #MA0463) 4.00% October 20, 2042	45,842	46,077
57,402	Government National Mortgage Assn II (Pool #MA0625) 3.50% December 20, 2042	60,021	61,309
34,691	Government National Mortgage Assn II (Pool #MA3175) 4.50% October 20, 2045	37,335	37,415
	Pending Trades	(21,480)	(21,480)
	<b>Total Agency Bonds</b>	<b>1,583,253</b>	<b>1,573,216</b>
	<b>Corporate Bonds</b>		
10,000	AT&T Inc. 6.300% January 15, 2038	10,943	10,763
5,000	AT&T Inc. 4.50% May 15, 2035	4,624	4,986
5,000	Ace Ina Holdings 2.875% November 3, 2022	4,962	4,994
30,000	Actavis Funding SCS 3.450% March 15, 2022	30,033	30,101
15,000	Amazon Com Inc. 3.300% December 5, 2021	15,434	15,340
15,000	American Campus CMTYS 4.125% July 1, 2024	14,894	14,994
15,000	American Express Credit 2.250% August 15, 2019	15,003	15,049
5,000	American Express Credit 2.375% May 26, 2020	4,962	4,995
25,000	AMGEN Inc. 4.400% May 1, 2045	23,163	23,704
30,000	Apple Inc. 3.850% May 4, 2043	27,639	27,678

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Schedule of Investments (continued)  
For the Year Ended December 31, 2015

<b>Principal/ Shares</b>	<b>Investment Security</b>	<b>Fair Value</b>	<b>Cost</b>
20,000	Automatic Data Processing 3.375% September 15, 2025	20,388	20,267
10,000	BHP Billiton FIN USA LTD 5.000% September 30, 2043	8,988	9,999
10,000	BP Capital Markets PLC 3.245% May 6, 2022	9,875	9,736
10,000	BNP Paribas 2.700% August 20, 2018	10,143	9,981
10,000	Bank of America Corp. 5.625% July 1, 2020	11,108	10,874
10,000	Bank of America Corp. 4.000% April 1, 2024	10,227	10,096
20,000	Bank of America Corp. 4.200% August 26, 2024	19,844	20,307
15,000	Bank of New York Mellon 3.650% February 4, 2024	15,575	14,945
40,000	Bank of Nova Scotia 2.125% September 11, 2019	39,960	40,423
40,000	Berkshire Hathaway FIN 4.250% January 15, 2021	43,629	41,406
5,000	Burlington North Santa Fe 4.550% September 1, 2044	4,827	4,972
10,000	Burlington North Santa Fe 4.150% April 1, 2045	9,063	9,967
15,000	CBS Corp 4.00% January 15, 2026	14,627	14,770
15,000	CVS Health Corp 4.875% July 20, 2035	15,487	14,973
15,000	Capital One Financial Co. 2.450% April 24, 2019	15,027	14,837
15,000	Carnival Corp 3.950% October 15, 2020	15,668	14,961
25,000	Caterpillar Inc 3.900% May 27, 2021	26,542	26,456
20,000	Citigroup Inc. 2.150% July 30, 2018	19,985	20,048
5,000	Citigroup Inc. 4.500% September 29, 2027	4,967	5,015
15,000	Conocophillips 6.500% February 1, 2039	15,807	18,374
25,000	Continental Resources 5.000% September 15, 2022	18,437	24,618
15,000	John Deere Capital Corp 2.375% July 14, 2020	14,964	14,999
15,000	Deutsche Bank AG London 2.950% August 20, 2020	15,022	15,026
15,000	Diageo Capital PLC 2.625% April 29, 2023	14,492	15,036

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Schedule of Investments (continued)  
For the Year Ended December 31, 2015

<b>Principal/ Shares</b>	<b>Investment Security</b>	<b>Fair Value</b>	<b>Cost</b>
15,000	DirecTV Holdings/Fing 4.600% February 15, 2021	15,888	14,498
10,000	DirecTV Holdings/Fing 4.450% April 1, 2024	10,271	10,436
15,000	Discovery Communications 3.250% April 1, 2023	13,820	14,518
5,000	Duke Energy Carolinas 4.000% September 30, 2042	4,817	5,082
15,000	EQT Corp 4.875% November 15, 2021	14,281	16,044
10,000	eBay Inc. 2.600% July 15, 2022	9,308	9,639
20,000	Energy Transfer Partners 4.050% March 15, 2025	16,425	18,178
10,000	Energy Transfer Partners 6.125% December 15, 2045	8,136	10,033
20,000	Exelon Generation Co LLC 4.000% October 1, 2020	20,612	20,446
10,000	Exxon Mobil Corporation 3 567% March 6, 2045	9,398	10,000
10,000	FedEx Corp 3.900% February 1, 2035	9,103	9,954
15,000	Florida Power & Light Co 4.050% October 1, 2044	14,843	14,980
20,000	FreePort-McMorgan C & G 3.550% March 1, 2022	11,600	19,523
15,000	GTE Corp. 6.940% April 15, 2028	17,750	16,572
30,000	General Electric Co 4.125% October 9, 2042	29,304	30,050
20,000	General Elec Cap Corp. 3.150% September 7, 2022	20,470	20,307
30,000	Gilead Sciences Inc 3 700% April 1, 2024	30,730	30,416
5,000	Goldman Sachs Group Inc 3.850% July 8, 2024	5,102	4,993
5,000	Goldman Sachs Group Inc. 5.750% January 24, 2022	5,686	5,769
25,000	HSBC Holdings PLC SR Unsec. 5.100% April 5, 2021	27,794	26,152
15,000	Hasbro Inc. 6.300% September 15, 2017	16,058	15,615
10,000	Host Hotels & Resorts 3.750% October 15, 2023	9,641	9,722
15,000	Intel Corp 3.100% July 29, 2022	15,296	15,124
20,000	JPMorgan Chase & Co. 4.625% May 10, 2021	21,603	20,876

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Schedule of Investments (continued)  
For the Year Ended December 31, 2015

<b>Principal/ Shares</b>	<b>Investment Security</b>	<b>Fair Value</b>	<b>Cost</b>
20,000	JPMorgan Chase & Co. 3.375% May 1, 2023	19,656	19,260
15,000	Johnson & Johnson 5.950% August 15, 2037	19,374	18,040
30,000	KLA-Tencor Corp 4.125% November 1, 2021	30,044	30,246
25,000	Kinder Morgan Ener Part 6.950% January 15, 2038	21,473	25,617
5,000	Kinder Morgan Inc./Delawa 3.050% December 1, 2019	4,628	4,990
10,000	Kraft Foods Group Inc. 5.00% June 4, 2042	10,069	9,930
10,000	Kroger Co. 3.400% April 15, 2022	10,131	10,129
15,000	Lockheed Martin Corp 3.800% March 1, 2045	13,296	12,947
15,000	McDonald's Corp 3.700% January 30, 2026	14,988	14,950
15,000	Met Life Inc. Var % December 15, 2066	16,388	14,250
15,000	Met Life Inc. 4.368% September 15, 2023	16,106	16,143
15,000	Microsoft Corp 3.500% February 12, 2035	13,864	14,305
20,000	MidAmerican Energy HLDGS 6.125% April 1, 2036	23,323	21,857
20,000	Morgan Stanley 4.750% March 22, 2017	20,716	20,354
15,000	Morgan Stanley 4.875% November 1, 2022	15,919	15,276
15,000	Novartis Capital Corp 3.700% September 21, 2042	14,073	14,119
10,000	Oracle Corp 4.300% July 8, 2034	9,948	10,075
30,000	PepsiCo Inc. 02.750% March 1, 2023	29,880	29,592
15,000	Petroleos Mexicanos 06.000% March 5, 2020	15,585	16,059
20,000	Phillips 66 4.650% November 15, 2034	18,745	19,536
10,000	Priceline Group, Inc. 3.650% March 15, 2025	9,733	9,983
5,000	Procter & Gamble Co. 5.550% March 5, 2037	6,076	5,978
10,000	Prudential Financial Inc. 4.500% November 16, 2021	10,798	10,852
30,000	Qualcomm Inc. 3.00% May 20, 2022	29,699	29,791

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Schedule of Investments (continued)  
For the Year Ended December 31, 2015

<b>Principal/ Shares</b>	<b>Investment Security</b>	<b>Fair Value</b>	<b>Cost</b>
25,000	Realty Income Corp. 3.250% October 15, 2022	24,126	24,350
15,000	Rowan Companies Inc. 4.750% January 15, 2024	10,667	14,993
60,000	Royal Bank of Canada 1.200% September 19, 2017	59,716	59,991
15,000	Satander UK Group Hldgs 2.875% October 16, 2020	14,898	14,998
10,000	Scripps Networks Interac 2.800% June 15, 2020	9,755	9,972
20,000	Southwestern Energy Co. 4.100% March 15, 2022	12,579	18,361
10,000	Teva Pharm Fin IV BV 3.650% November 10, 2021	10,141	10,033
15,000	Time Warner Cable Inc. 4.500% September 15, 2042	11,772	15,003
25,000	Toronto-Dominion Bank 2.125% July 2, 2019	24,967	24,985
5,000	Toronto-Dominion Bank 2.500% December 14, 2020	4,998	4,989
20,000	Toyota Motor Credit Corp 4.500% June 17, 2020	21,761	21,814
20,000	21 <sup>st</sup> Century Fox Amer Inc. 6.650% November 15, 2037	23,241	24,540
15,000	Verizon Communications 6.400% September 15, 2033	17,089	17,970
30,000	Visa Inc. 4.150% December 14, 2035	30,287	29,970
5,000	Walmart Stores 5.250% September 1, 2035	5,695	5,781
35,000	Wal-Mart Stores Inc. 5.625% April 1, 2040	41,644	37,944
15,000	Walgreens Boots Alliance 3.800% November 18, 2024	14,553	14,618
30,000	Wells Fargo & Company 3.300% September 9, 2024	29,845	29,994
10,000	Wells Fargo & Company 4.300% July 22, 2027	10,215	9,962
10,000	Wells Fargo & Company VAR% December 31, 2099	10,088	10,000
10,000	Westpac Banking Corp 2.250% July 30, 2018	10,082	9,961
15,000	Williams Partners LP 4.125% November 15, 2020	13,392	14,999
	<b>Total Corporate Bonds</b>	<b>1,710,268</b>	<b>1,743,124</b>

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Schedule of Investments (continued)  
For the Year Ended December 31, 2015

Principal/ Shares	Investment Security	Fair Value	Cost
<b>Mutual Funds</b>			
85,034	Blackrock Total Return-I (MAHQX)	978,742	1,000,000
98,912	Blackrock Strategic Income (BSIIX)	966,370	1,000,000
136,315	Eaton Vance Floating Rate (EIBLX)	1,146,407	1,250,000
151,838	Fidelity Advisor Floating High (FFRIX)	1,384,764	1,500,000
113,190	Templeton Global Bond Fund AD (TGBAX)	1,305,084	1,500,000
	<b>Total Mutual Funds</b>	<b>5,781,367</b>	<b>6,250,000</b>
<b>Mortgages</b>			
2,705	Morgan Stanley Capital I 2007-HQ11 Class A31 5.439% February 12, 2044	2,702	2,702
	<b>Total Mortgages</b>	<b>2,702</b>	<b>2,702</b>
<b>Asset-Backed</b>			
65,000	Capital One Multi-Asset EXECUT Series 2014 A5 Class A July 15, 2020	65,012	65,045
29,000	Centerpoint Energy Transition Series 2012-1 Class A2 2.1606% October 15, 2021	29,187	29,036
70,000	Fifth Third Auto Trust Series 2015 1 Class A3 1.36% March 16, 2020	69,462	69,456
100,000	GE Capital Credit Card Master Series 2012-6 Class A 1 36% August 17, 2020	99,505	99,539
25,000	Honda Auto Receivables Owner T Series 2015 4 Class A3 September 23, 2019	24,795	24,728
45,000	Hyundai Auto Receivables Trust Series 2015 A Class A3 April 15, 2019	44,818	44,677
60,000	Toyota Auto Receivables Owner Series 2015 C Class A3 June 17, 2019	59,854	59,742
	<b>Total Asset-Backed</b>	<b>392,633</b>	<b>392,223</b>
<b>Equities</b>			
<b>Consumer Discretionary</b>			
807	Borg Warner Inc. (BWA)	34,887	38,577
820	Comcast Corporation CLA (CMCSA)	46,273	24,630
810	DR Horton Inc.	25,944	24,137
540	Disney Walt Co. (DIS)	56,743	25,318
530	Foot Locker Inc. (FL)	34,498	25,422
586	Gildan Activewear Inc. (GIL)	16,654	17,170
415	Home Depot Inc. (HD)	54,884	25,000
340	L Brands Inc (LB)	32,579	23,082
2,017	Newell Rubbermaid Inc. (NWL)	88,909	59,643
620	Nike Inc. (NKE)	38,750	35,995
99	O'Reilly Automotive Inc. (ORLY)	25,088	12,303
140	O'Reilly Automotive Inc. (ORLY)	35,479	34,132
682	TJX Companies Inc New (TJX)	48,361	37,010

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Schedule of Investments (continued)  
For the Year Ended December 31, 2015

<b>Principal/ Shares</b>	<b>Investment Security</b>	<b>Fair Value</b>	<b>Cost</b>
340	Tractor Supply Co. (TSCO)	29,070	30,732
390	Wyndham Worldwide Corp. (WYN)	28,333	25,799
	<b>Total Consumer Discretionary</b>	<b>596,452</b>	<b>438,950</b>
	<b>Consumer Staples</b>		
681	Brookdale Senior Living Inc. (BKD)	12,571	15,445
530	CVS Health Corporation (CVS)	51,818	30,543
570	Dr Pepper Snapple Group Inc (DPS)	53,124	37,293
280	Kimberly-Clark Corp. (KMB)	35,644	29,622
1,210	Kroger Co. (KR)	50,614	27,955
560	Mondelez International (MDLZ)	25,111	24,041
450	PepsiCo Inc. (PEP)	44,964	44,347
1,361	Unilever NV New York Shares New (UN)	58,959	53,314
	<b>Total Consumer Staples</b>	<b>332,805</b>	<b>262,560</b>
	<b>Energy</b>		
254	Cimarex Energy Co. (XEC)	22,703	24,811
505	Exxon Mobil Corp (XOM)	39,365	40,389
1,436	Noble Energy Inc. (NBL)	47,287	81,125
1,489	Now Inc (DNOW)	23,556	43,373
854	Schlumberger LTD (SLB)	59,566	71,492
600	Schlumberger LTD (SLB)	41,850	51,035
510	Total S A (TOT)	22,925	25,814
	<b>Total Energy</b>	<b>257,252</b>	<b>338,039</b>
	<b>Financial</b>		
	Simon Property Group Inc (SPG)	1,674	428
970	Invesco LTD (IVZ)	32,476	34,051
735	American Campus CMNTYS Inc (ACC)	30,385	27,793
1,079	American Express Co (AXP)	75,044	88,018
570	American Homes 4 Rent - A (AMH)	9,496	9,398
190	Ameriprise Financial Inc (AMP)	20,220	24,660
504	Avalonbay Communities Inc (AVB)	92,802	53,437
384	Boston PPTY Inc (BXP)	48,975	35,831
1,863	Brixmor Property Group Inc (BRX)	48,103	44,398
206	Camden Property (CPT)	15,813	15,964
648	Care Capital Properties Inc (CCP)	19,809	22,339
2,471	Cousins Properties Inc (CUZ)	23,302	27,748
658	Crown Castle Intl Corp (CCI)	56,884	48,887
1,859	Diamondrock Hospitality Co (DRH)	17,939	23,861
1,759	Empire State Realty Trust IN (ESRT)	31,785	28,512
59	Essex PPTY TR Inc (ESS)	14,125	4,085
321	Extra Space Storage Inc. (EXR)	28,315	21,983
222	Federal Realty INVT Trust (FRT)	32,434	23,465

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Schedule of Investments (continued)  
For the Year Ended December 31, 2015

Principal/ Shares	Investment Security	Fair Value	Cost
814	First INDL Realty Trust Inc (FR)	18,014	17,458
1,141	General Growth Properties W/I (GGP)	31,047	32,147
1,624	HCP Inc. (HCP)	62,102	61,098
1,334	Healthcare Realty Trust (HR)	37,779	29,907
970	Healthcare Trust of AME-CL A (HTA)	26,161	21,689
915	Hudson Pacific Properties IN (HPP)	25,748	19,207
321	Infrareit Inc (HIFR)	5,938	8,950
204	Interncontinental Exchange-W/I (ICE)	52,277	39,208
1,050	JPMorgan Chase & Co. (JMP)	69,331	61,644
327	Kilroy Rlty Corp (KRC)	20,693	22,318
335	LaSalle Hotel PTYS (LHO)	8,429	9,684
760	Lincoln National Corp (LNC)	38,198	38,323
296	Mastercard Inc CL A (MA)	28,819	21,778
365	Mid Amer Apt CMNTYS Inc (MAA)	33,146	24,159
930	Principal Financial Group (PFG)	41,831	47,595
2,632	Progressive Corp Ohio (PGR)	83,698	67,835
1,022	Prologis Inc (PLD)	43,864	25,454
172	Public Storage (PSA)	42,604	27,989
140	Public Storage (PSA)	34,678	28,361
288	QTS Realty Trust Inc -CL A (QTS)	12,992	12,465
323	RLJ Lodging Trust (RLJ)	6,986	7,288
532	Realty Income Corp. (O)	27,467	21,954
1,237	Retail Opportunity Investmen (ROIC)	22,142	15,959
786	Rexford Industrial Realty IN (REXR)	12,859	11,570
575	Simon Property Group Inc (SPG)	111,879	33,802
649	Sunstone Hotel Invs NEW (SHO)	8,106	9,375
225	Terreno Realth Corp. (TRNO)	5,090	5,075
420	The Travelers COS Inc (TRV)	47,401	39,596
1,339	US Bankcorp Del (USB)	57,135	54,224
440	Visa Inc (V)	34,122	17,300
423	Vornado Realty Trust (VNO)	42,283	42,285
708	Washington Real Estate (WRE)	19,158	18,601
1,069	Weingarten Realty Investments (WRI)	36,966	35,786
1,050	Wells Fargo & Company (WFC)	57,078	49,878
1,530	Weyerhaeuser Co (WY)	45,869	35,081
	Pending Trades	(5,405)	(5,405)
	<b>Total Financial</b>	<b>1,846,066</b>	<b>1,544,496</b>
	<b>Health Care</b>		
1,339	Abbott Laboratories Inc. (ABT)	60,134	52,165
220	Aetna Inc. New (AET)	23,786	13,550
340	Amgen (AMGN)	55,192	40,123
396	Becton Dickinson & Co. (BDX)	61,020	41,639
190	Cigna Corp (CI)	27,803	17,693
620	Edwards Lifesciences Corp. (EW)	48,968	41,271
260	Gilead Sciences Inc. (GILD)	26,309	28,407
470	Johnson & Johnson (JNJ)	48,278	24,793

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Schedule of Investments (continued)  
For the Year Ended December 31, 2015

<b>Principal/ Shares</b>	<b>Investment Security</b>	<b>Fair Value</b>	<b>Cost</b>
1,400	Pfizer Inc. (PFE)	45,192	47,162
980	Roche Holding LTD Sponsored ADR (RHHBY)	33,781	34,045
190	Thermo Fisher Scientific Inc. (TMO)	26,952	25,267
170	Universal Health Services Inc (UHS)	20,313	23,943
	<b>Total Health Care</b>	<b>477,728</b>	<b>390,058</b>
	<b>Industrials</b>		
320	Alaska Air Group Inc. (ALK)	25,763	24,898
180	Boeing Co (BA)	26,026	12,574
460	Cintas Corp (CTAS)	41,883	37,498
814	Danaher Corp (DHR)	75,604	59,942
240	General Dynamics Corp (GD)	32,966	33,627
1,050	General Electric Co (GE)	32,708	17,425
283	Grainger W W Inc (GWW)	57,333	69,993
430	Honeywell Intl Inc. (HON)	44,535	43,707
298	Hunt JB Transport Services Inc. (JBHT)	21,861	22,419
120	Lockheed Martin Corp (LMT)	26,058	16,934
381	Manpower Group Inc. (MAN)	32,115	25,501
250	Northrop Grumman Corporation (NOC)	47,203	41,946
634	Robert Half International Inc. (RHI)	29,887	26,344
498	Ryanair HLDGS PLC (RYAAY)	43,057	24,144
160	Snap On Inc (SNA)	27,429	20,029
310	Stanley Black & Decker Inc (SWK)	33,086	33,130
222	3M Company (MMM)	33,442	27,881
	<b>Total Industrials</b>	<b>630,956</b>	<b>537,992</b>
	<b>Information Technology</b>		
260	Accenture PLC Class A (ACN)	27,170	26,159
565	TE Connectivity LTD (TEL)	36,505	32,802
330	Check Point Software Teck (CHKP)	26,855	23,227
346	Adobe Systems Inc. (ADBE)	32,503	26,189
209	Alliance Data Systems Corp. (ADS)	57,803	51,614
95	Alphabet Inc./CA-CL A (GOOGL)	73,911	43,318
1,085	Apple Inc. (AAPL)	114,207	16,741
2,165	Cisco Systems Inc (CSCO)	58,791	49,417
689	Cyrusone Inc. (CONE)	25,803	24,074
1,397	eBay Inc (EBAY)	38,390	30,127
135	Equinix Inc. (EQIX)	40,824	35,991
719	Intuit Software (INTU)	69,384	53,220
420	Lam Research Corp (LRCX)	33,356	34,380
817	Microsoft Corp (MSFT)	45,327	22,447
716	Netscout System Inc. (NTCT)	21,981	23,901
972	PayPal Holdings Inc -W/I (PYPL)	35,186	29,834
220	Skyworks Solutions Inc. (SWKS)	16,903	8,453
1,523	Texas Instruments Inc (TXN)	83,476	63,844
610	Texas Instruments Inc (TXN)	33,434	34,853
	<b>Total Information Technology</b>	<b>871,809</b>	<b>630,591</b>

(continued on next page)

**The Arca Foundation**

Schedule of Investments (continued)  
For the Year Ended December 31, 2015

<b>Principal/ Shares</b>	<b>Investment Security</b>	<b>Fair Value</b>	<b>Cost</b>
	<b>Materials</b>		
1,060	Dow Chemical Co. (DOW)	54,569	54,448
410	PPG Industries Inc (PPG)	40,516	48,012
	<b>Total Materials</b>	<b>95,085</b>	<b>102,460</b>
	<b>Telecommunication Services</b>		
593	American Tower CORP (AMT)	57,491	35,433
975	Level 3 Communications Inc (LVLT)	53,001	45,739
940	Verizon Communications Inc. (VZ)	43,447	48,866
	<b>Total Telecommunication Services</b>	<b>153,939</b>	<b>130,038</b>
	<b>Utilities</b>		
420	American Electric Power Inc (AEP)	24,474	24,523
1,405	Eversource Energy (ES)	71,753	64,839
775	WEC Energy Group Inc (WEC)	39,765	15,464
	<b>Total Utilities</b>	<b>135,992</b>	<b>104,826</b>
	<b>Other</b>		
1,129	Hilton Worldwide Holdings IN (HLT)	24,161	27,525
754	Premier Inc.-Class A (PINC)	26,593	23,879
	<b>Total Other</b>	<b>50,754</b>	<b>51,404</b>
	<b>ETF</b>		
35,073	DB X-Trackers MSCI Japan HDG (DBJP)	1,335,931	1,510,050
51,733	Deutsche X-Tracker MSCI EYR (DBEU)	1,337,298	1,503,341
26,475	Ishares Core S&P 500 (IVV)	5,423,933	2,451,360
13,450	Ishares MSCI USA ESG Select (KLD)	1,121,461	999,782
32,318	Vanguard Mid Cap (VO)	3,881,715	2,569,857
34,279	Vanguard Small Cap (VB)	3,792,628	2,719,375
	<b>Total ETF</b>	<b>16,892,966</b>	<b>11,753,765</b>
	<b>Long-Short Mutual Funds</b>		
61,350	AMG GW&K Small Cap Equity Fund (GWESX)	1,347,853	1,500,000
167,504	Blackrock Global Dividend (BIBDX)	1,939,699	2,000,000
25,541	Calvert Social INVT FS (CSIEX)	1,049,221	1,250,000
46,882	T Rowe Price Real Estate Fund (TRREX)	1,288,795	1,000,000
	<b>Total Long-Short Mutual Funds</b>	<b>5,625,568</b>	<b>5,750,000</b>
	<b>Total Equities</b>	<b>27,967,372</b>	<b>22,035,179</b>
	<b>Alternative Mutual Funds</b>		
151,033	Diamond Hill Long-Short Fund (DIAYX)	3,599,124	3,500,000
333,194	Driehaus Active Income Fund (LCMAX)	3,315,278	3,500,000
	<b>Total Alternative Mutual Funds</b>	<b>6,914,402</b>	<b>7,000,000</b>
	<b>Total Investments</b>	<b>\$ 50,453,812</b>	<b>\$ 45,091,575</b>

**The Arca Foundation**  
Schedule of Grant Expenses  
For the Year Ended December 31, 2016

<b>Name of Grantee</b>	<b>Amount</b>
ACCE Institute	\$ 75,000
Agenda Project Education Fund	5,000
Albert Einstein Institution	25,000
Albert Einstein Institution	15,000
Albert Einstein Institution	25,000
Alliance for Global Justice	3,000
Alliance for Global Justice	3,000
Alliance for Global Justice	15,000
Brave New Films	25,000
Brenn Foundation	16,968
Catskill Mountainkeeper Inc	25,000
Center for Economic and Policy Research	65,000
Center for Economic and Policy Research	25,000
Center for International Policy	75,000
Center for Media and Democracy	50,000
Center for Popular Democracy	100,000
Center for Popular Democracy	30,000
Citizen Engagement Lab Education Fund	75,000
Coact Education Foundation	50,000
Coact Education Foundation	25,000
Color of Change	75,000
Confluence Philanthropy	1,000
Courage Campaign Institute	25,000
Economic Policy Institute	50,000
Franklin and Eleanor Roosevelt Institute	75,000
Franklin and Eleanor Roosevelt Institute	75,000
Friends of the Earth	50,000
Fund for Constitutional Government	50,000
Fund for Constitutional Government	3,000
Grassroots Collaborative	50,000
IfNotNow	40,000
Institute for America's Future	25,000
Institute for Policy Studies	40,000
International Labor Rights Forum	30,000
J Street Education Fund	50,000
Jubilee USA Network	50,000
Just Vision	50,000
Leadership Conference Education Fund	125,000
Make the Road NY	5,000
National Committee for Responsive Philanthropy	1,500
National Iranian American Council	50,000
National Iranian American Council	2,500
National People's Action	50,000
National Security Archive Fund	40,000
Neighborhood Funders Froup	6,250
NEO Philanthropy, Inc	10,000
NEO Philanthropy, Inc	5,000
New Venture Fund	50,000

(continued on next page)

**The Arca Foundation**

**Schedule of Grant Expenses (continued)  
For the Year Ended December 31, 2016**

<b>Name of Grantee</b>	<b>Amount</b>
New Venture Fund	50,000
New Venture Fund	75,000
New Venture Fund	100,000
New World Foundation	75,000
NY Communities Organizing Fund	75,000
Other 98% Lab	40,000
Peace Development Fund	35,000
Progressive Congress	30,000
Progressive Maryland Education Fund	5,000
Project on Government Oversight	50,000
Proteus Fund	25,000
Proteus Fund	1,000
Proteus Fund	35,000
Public Accountability Initiative	40,000
Public Citizen Foundation	50,000
Public Citizen Foundation	50,000
Rutgers State University of NJ	30,000
Stanford University	3,000
Sustainable Markets Foundation	5,000
TakeAction Minnesota	50,000
Taxpayers for Common Sense	40,000
The American Prospect	30,000
The Nation Institute	4,000
Tides Foundation	75,000
Tides Foundation	25,000
United We Dream	5,000
Women's Action for New Directions	40,000
Total Grant Expenses	<u>2,855,218</u>
<b>Return of Grant Funds</b>	
Center for Effective Government	<u>(25,000)</u>
<b>Total Grant Expenses, net of cancellations</b>	<u><u>\$ 2,830,218</u></u>

**The Arca Foundation**  
**Schedule of Grant Expenses**  
**For the Year Ended December 31, 2015**

<b>Name of Grantee</b>	<b>Amount</b>
ACCE Institute	\$ 100,000
Agenda Project Education Fund	20,000
Albert Einstein Institution	35,000
Alliance for Global Justice	25,000
American Civil Liberties Union of NJ Foundation	50,000
Baltimore Algebra Project	5,000
Black Institute, The	3,000
Brave New Films	25,000
Brenn Foundation	13,940
CEL Education Fund	75,000
Center for American Progress	75,000
Center for American Progress	75,000
Center for Arms Control and Nonproliferation	50,000
Center for Economic and Policy Research	40,000
Center for Effective Government	25,000
Center for International Policy	5,000
Center for International Policy	4,500
Center for International Policy	50,000
Center for Popular Democracy	5,000
Center for Popular Democracy	100,000
Center for Popular Democracy	30,000
Center for Popular Democracy	10,000
Center for Popular Democracy	30,000
Center for Working Families	100,000
Centro Presente	1,500
Color of Change	25,000
Color of Change.org Education Fund	75,000
Confluence Philanthropy	1,000
Courage Campaign Institute	50,000
Demos: A Network for Ideas & Action	50,000
Downtown Community Television Center	30,000
Earth Day Networks	5,000
Economic Opportunity Institute	25,000
Economic Policy Institute	50,000
Franklin and Eleanor Roosevelt Institute	75,000
Friends of the Earth	50,000
Fund for Constitutional Government	50,000
Fund for Constitutional Government	1,500
Grassroots Collaborative	50,000
Institute for America's Future	50,000
Institute for Policy Studies	25,000
J Street Education Fund	75,000
Jews United for Justice	1,000
Jubilee USA Network	50,000
Just Vision	50,000
Leadership Conference Education Fund	125,000
Morgan State University Foundation	3,000
National Committee for Responsive Philanthropy	1,500

(continued on next page)

**The Arca Foundation**

Schedule of Grant Expenses (continued)  
For the Year Ended December 31, 2015

<b>Name of Grantee</b>	<b>Amount</b>
National Iranian American Council	5,000
National Iranian American Council	50,000
National People's Action	50,000
National Security Archive Fund	60,000
Neighborhood Funders Froup	5,000
NEO Philanthropy, Inc	50,000
NEO Philanthropy, Inc	15,000
New Venture Fund	100,000
New World Foundation	75,000
NY Communities Organizing Fund	75,000
PAAIA Fund	3,000
Progressive Congress	25,000
Project on Government Oversight	55,000
Proteus Fund	35,000
Proteus Fund	1,000
Public Accountability Initiative	25,000
Public Citizen Foundation	50,000
Responsible Endowments Coalition	40,000
Rutgers State University of NJ	5,000
Search for Common Ground	50,000
Sustainable Markets Foundation	5,000
Taxpayers for Common Sense	50,000
The American Prospect	25,000
The National Institute	3,000
T'Ruah	40,000
Waging NonViolence	15,000
Women's Action for New Directions	50,000
Women's Donors Network	5,000
<b>Total Grant Expenses</b>	<b>\$ 2,837,940</b>

**Schedule B**  
(Form 990, 990-EZ,  
or 990-PF)

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.  
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and  
its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

**2016**

Name of the organization

The ARCA Foundation  
c/o PNC Bank, N.A. - Agent

Employer identification number

13-2751798

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

- ☐ 501(c)( ) (enter number) organization
- ☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
- ☐ 527 political organization

Form 990-PF

- ☒ 501(c)(3) exempt private foundation
- ☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
- ☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

**General Rule**

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

**Special Rules**

- ☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ \_\_\_\_\_

**Caution:** An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

**LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2016)**

Name of organization <b>The ARCA Foundation</b> <b>c/o PNC Bank, N.A.-Agent</b>	Employer identification number <b>13-2751798</b>
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**Part I Contributors** (See instructions) Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
<b>1</b>	<b>Brett D. Bagley</b> <b>4629 30th Street, NW</b> <b>Washington, DC 20008</b>	\$ <b>40,000.</b>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions )
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions )
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions )
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions )

Name of organization

The ARCA Foundation  
c/o PNC Bank, N.A.-Agent

Employer identification number

13-2751798

**Part II Noncash Property** (See instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name of organization <b>The ARCA Foundation</b> <b>c/o PNC Bank, N.A. - Agent</b>	Employer identification number <b>13-2751798</b>
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**Part III** Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year (Enter this info once) ▶ \$ \_\_\_\_\_  
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee